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PLO OFFICIAL CONDEMNS IRANIAN PLOT AGAINST BAHRAIN

GF121050 Manama WAKH in Arabic 0840 GMT 12 Jan 82

[Text] Manama, 12 Jan (WAKH)--The PLO has again denounced the sabotage conspiracy plotted by Iran against the security and stability of Bahrain. The PLO has described the conspiracy as an irresponsible action that was not intended against Bahrain alone but against other Arabian gulf states as well.

In a statement published by the Bahraini magazine SADA AL-USBU' today, PLO Central Committee member Khalid al-Hasan called for a serious action against the many dangers threatening the gulf and Arab nation. He stressed the necessity of confronting these threats with a nationalist stand and an Arab will.

Al-Hasan noted the weakness in Palestinian-Iranian relations and said that bilateral relations are not good and that the Iranian regime is drifting.

Al-Hasan ruled out the possibility of establishing stable relations between the PLO and Iran or between Tehran and the other countries of the world. He explained that this is so because each Ayatollah has become a state within the state.

The Palestinian official noted the developments in the Palestinian question and said that neither the Palestinian people nor Israel can survive unless the other vanishes.

He stressed that the Arabs must deal with the Palestinian question on the basis of the nonachievement of coexistence with Israel. He said that the PLO does not have the right to merely discuss whether to recognize the Zionist enemy or not.

He emphasized that the organization's present and comprehensive aim is to restore the sovereignty of the Palestinian people on their land and to establish their independent state.

CSO: 4404/212

INTER-ARAB AFFAIRS

BRIEFS

SYRIAN GUARD FOR AL-QADHDHAFI--London, December 23--Syrian President Hafez Assad has sent an elite battalion to protect Libyan leader Moamer Kadhafi, the Daily Mail reported here today. "Colonel Kadhafi has posted most of his 500-strong Syrian bodyguard around his palace," the Conservative newspaper reported, adding that "others are at the radio station and police headquarters." The paper said President Assad chose one of his most experienced security chiefs to command the battalion in Tripoli, Colonel Ahmed Ali Shaaban. It did not say why Col. Kadhafi felt he needed the foreign protection, but noted that this was not the first time the Syrian Head of State had come to Col. Kadhafi's aid: "Earlier this year when the Libyan leader faced trouble over his intervention in Chad, Assad gave him support by sending 18 of his Mig pilots with ground crews." The newspaper also reported that Col. Kadhafi's niece Aishaa Mambruk Ali, 17, arrived in Rome Monday for treatment of severe burns. It said hospital authorities had no information on the cause of the injuries. (A.F.P.) [Text] [Paris AFRICA AFP in English 24 Dec 81 p 7]

CSO:4500/87

NEW ISLAMIC EDUCATIONAL CENTER OPENS IN MECCA

Jiddah 'UKAZ in Arabic 25 Oct 81 p 6

/Article by 'Abdallah Hasanayn: "Prince Majid, Acting for His Majesty King Khalid, Will Open the World Islamic Educational Center in Mecca Tomorrow"/

/Text/ Actual steps toward Islamic action have started to assume real progress toward execution, especially in a vital, important field of concern to all Islamic countries.

Education is considered one of the most important and serious of aspects, one which must receive great, abundant attention through scholarly institutions from all Islamic countries, because that is the only true way to put a firm limit to all the challenges confronting the Islamic nation and generations to come. This will be achieved by the World Islamic Educational Center, which has been established in Mecca under the supervision of the servant of the two noble sanctuaries, His Majesty King Khalid ibn 'Abd-al-'Aziz.

The Concept of the Center

The World Islamic Educational Center was established following the 10th conference of foreign ministers of Islamic countries held in Islamabad in May 1980. Shaykh Ahmad Salah Jamjum and his excellence the director of King 'Abd-al-'Aziz University recommended to His Highness King Khalid ibn 'Abd-al-'Aziz, monarch of the Kingdom of Saudi Arabia, that this center be established in the wake of the first international conference for the sake of Islamic education, provided that it be established in King 'Abd-al-'Aziz University. However, the Council of Ministers decided to submit the recommendation to the Islamic Conference Organization for presentation at the conference of foreign ministers of Islamic states held in Dakar in 1978. When establishment of the center was delayed, for one reason or another, King 'Abd-al-'Aziz University established a followup committee which was assigned the burdens of carrying out and following up on the recommendations that the first conference on Islamic education had approved and, at the end of 1980, a decision was made to establish the World Islamic Educational Center. King 'Abd-al-'Aziz University presented a recommendation to the Islamic Conference Organization making the followup committee secretariat the nucleus of the center in order to guarantee the continuity of activity, and the secretary general of the Islamic Conference Organization was kind enough to accept this principle. After that, the secretary of the followup committee was appointed director general of the World Islamic Educational Center. The university will defray the center's expenses.

Education in an Islamic Cast

King 'Abd-al-'Aziz University in Jiddah, and the university's branch in Mecca, organized the first world conference of Islamic education, which was held in Mecca in 1977. The conference determined to assign the organizational committee to a followup committee which would have, among its areas of specialization, the outlining of educational plans and the adoption of all measures and means for carrying out the resolutions and recommendations produced by the conference.

His Excellency Shaykh Ahmad Salah Jamjum, chairman of the organizational committee of the first educational conference, became chairman of the followup committee, His Excellency Dr 'Abdallah 'Umar Nasif, the director of King 'Abd-al-'Aziz University, became vice chairman, Dr Sayyid 'Ali Ashraf and Dr Muhammad Jamil Khayyat became secretaries of the followup committee, and Dr Ghulam-Nabi Thaqib became committee assistant /secretary/. The followup committee, in addition to the chairman, vice chairman, the two secretaries and the assistant secretary, contains other members: the deputy director of the university in Mecca, his excellency the dean of the Faculty of Islamic Law, his excellency the Dean of the Faculty of Education in the university in Mecca, Mr Muhammad Qutb, Mr Muhammad al-Mubarak, and Dr Husayn Hamid Hassan.

His Excellency Shaykh Jamjum sent letters to their excellencies the ministers of education and the vice presidents of universities in Islamic countries inviting them to put the recommendations and resolutions of the conference into execution when setting out educational curricula in their countries, so that education could acquire an Islamic cast. He also urged them to establish research centers and institutes in the context of Islamic education whose task would be to become informed about the problems education is suffering from and the requirements that must be provided, and create urgent solutions to these problems and apply them from the Islamic point of view.

A Unified Islamic Curriculum

The tasks and burdens of the followup committee may be summarized as follows:

- A. The effort to publish basic books focussing on education from the Islamic viewpoint.
- B. The effort to establish research centers in various Islamic countries.
- C. The effort to set out a unified Islamic core curriculum and apply that to all Islamic countries.
- D. Preparation of Islamic books on the basis of a unified curriculum.
- E. Preparation of instructors who will commit themselves to following through with the Islamic curriculum when they deal with natural sciences and social and humane courses.

The center now occupies a building behind that of King 'Abd-al-'Aziz Secondary School. It is a short distance from the main thoroughfare of al-'Aziziyah Street.

Center Employees

The center currently consists of the following gentlemen:

Dr Sayyid 'Ali Ashraf, secretary, who has now been appointed director of the center; Muhammad Jamil Khayyat, secretary; Ghulam-al-Nabi Thaqib, assistant secretary; Mr Muhammad 'Uthman 'Adlan, part time lecturer; Sayyid Ahmad, senior researcher; and Muzmil al-Haqq, second researcher.

Four Conferences for a Unified Islamic Curriculum

Among the center's most prominent activities is the holding of the first world Islamic education conference; the followup committee decided to hold three international conferences containing numerous experts in the field of Islamic education, subsequently known as the second, third and fourth world Islamic education conferences. Their task is to work to carry out the resolutions and recommendations which were agreed to at the first world Islamic educational conference. One subsequent need has been the fashioning of an Islamic curriculum, the preparation of textbooks and curricula based on this curriculum, and the development of an educational method which will give the instructor the opportunity to implant Islamic ideas, principles and concepts in growing minds.

The second world conference was held in the city of Islamabad in March 1980. The conference dealt with the subject of curriculum and means for setting it out, in addition to Islamic educational curricula for the secondary and university levels. The third world conference has also been held; its theme revolved about the development of textbooks and it was held in the city of Dacca in March 1981 in cooperation with the Institute of Islamic Research and Education in Dacca. The fourth world conference, whose efforts will be consecrated to developing ways of instruction, with God's permission, be held in Jakarta, Indonesia, in the third week of June 1982 in cooperation with the teaching board.

Islamic Education Centers

His Excellency Shaykh Ahmad Salih Jamjum, chairman of the followup committee, has more than once requested all ministers of education in Islamic countries to hasten to establish local centers of Islamic education so that there can be contact and an exchange of views among Moslem scholars and intellectuals and coordination of research so that it will be feasible to create Islamic concepts alternative to the secular concepts which prevail today in all well known branches, and to strive earnestly to carry out the recommendations and resolutions of the conferences held on Islamic education and make the necessary changes in Islamic curricula as required by local and environmental circumstances in various Islamic countries. Islamic education centers have been set up in Pakistan, Bangladesh and England, where there is a Moslem minority, and the private sector in the Republic of Indonesia has set up an Islamic education center.

In Pakistan, the government has established an Islamic education research unit subordinate to the Ministry of Education, and al-Qa'id al-A'zam University has established an Islamic education center under the title of the Islamic University in Islamabad.

In Bangladesh, the government has approved a law adopted in parliament establishing the institute of Islamic research and education which it regards as an independent body and has included in the development plans. In Britain, the Islamic Cultural Center in London has established an Islamic education center whose task will be to educate Moslem children in Britain.

In Indonesia, although the government of Indonesia has not yet established an Islamic education center with an official character, the private sector in that country rapidly responded to the call of His Excellency Shaykh Ahmad Salih Jamjum, chairman of the followup committee, and immediately established a commission for Islamic university education to impart an Islamic cast to education in Indonesia.

In the Maldive Islands, the government recently informed the followup committee chairman of the government's determination to establish an Islamic education center.

Releases of the Center

Among the center's most prominent publications and printings are:

1. A book on the conference in English and Arabic containing a report to the first world Islamic education conference.
2. A series on Islamic education, whose general editor is al-Sayyid 'Ali Ashraf. The center is now publishing seven books through the Hodder and Staughton Publishing House in London. The educational content for these seven books has been assembled from the body of the research presented to the first world Islamic education conference in addition to some other research that has been carried out expressly for publication in this series. These books were prepared and edited by an elite of the most prominent Moslem scholars in the world.

These books are as follows:

- A: "The Crisis of Islamic Education" by Sayyid Sajjad Husayn and Dr Sayyid 'Ali Ashraf--in print.
- B. "The Goals and Objectives of Islamic Education" prepared by Dr Muhammad Hamid al-Afandi and Dr Nabil Ahmad Balutsh--in print.
- D. "Social and Natural Sciences and the Islamic View," prepared by Dr Isma'il Faruqi and Dr 'Abdallah 'Umar Nasif.
- E. "Education and Society," prepared by Dr Wasi'ullah Khan--being printed.
- F. "Philosophy, Letters and Fine Arts," prepared by Dr Seyyed Hoseyn Nasr--being printed.

G. "Modern Education in the Islamic World," prepared by Dr Sayyid 'Ali Ashraf and Ghulam Nabi Thaqib--being prepared.

"Islamic Education and Values" by Dr H G (Biljurami) is a publication of the European Islamic Council and King 'Abd-al-'Aziz University.

Works being printed.

The three following books have been written: "The Notion of the Islamic University" by Dr H G (Biljurami), "The Islamic Conception of Sociology" by Dr Ilyas Ba Yunus, and "The Islamic Conception of Education" by Dr Sayyid 'Ali Ashraf. In addition these books are being prepared: "Comparative Education from the Islamic Viewpoint" by Dr Ghulam Nabi Thaqib, and notebooks on Islamic instruction in all the countries of the world, by scholars from various countries in the world, prepared by Dr Sayyad 'Ali Ashraf.

There are also the following periodicals:

AKHBAR WA-ARA', which constitutes a magazine on Islamic education issued once every two months. This is now being printed and its editor in chief is Dr Jamil Khayyat.

There is also the magazine AL-TA'LIM AL-ISLAMI which contains research on Islamic education and is issued once every 2 months; that is under preparation. Its editor is Dr Sayyid 'Ali Ashraf, and Dr Muhammad Jamil Khayyat and Dr Ghulam Nabi Thaqib are participating with him.

Research in the Development of Preparation

1. There is an analytical study on curricula, requirements and textbooks in the primary, secondary and university levels.

This assigns curricula in primary and secondary levels in Islamic countries to a number of Islamic organizations and scholars in various Islamic countries, while King 'Abd-al-'Aziz University assumes the task of studying and analyzing books and requirements at the university level from the Islamic standpoint. The director of King 'Abd-al-'Aziz University has actually established a specialized committee titled the "curriculum committee" chaired by Dr Ghazi Madani.

2. The center is busily engaged in issuing a subject bibliography in addition to articles and research on Islamic culture and Islamic civilization. The following scholars have been assigned to prepare the subject bibliography:

A. A sociology bibliography, comprising the period from the era of the prophet (on whom be God's blessings and peace) up to 1980.

B. A political science bibliography extending from the era of the prophet (on whom be blessings and peace) to 1980; this is being prepared by Mr al-Tayyib 'Abidin.

C. A country bibliography containing all books, articles and research dealing with all subjects from the Islamic viewpoint. Dr Muhammad Jamil Khayyat is busy preparing this.

D. An annual country bibliography containing all publications in the form of books and research dealing with all subjects from the Islamic viewpoint. To this end, scholars from various Islamic countries will be appointed to assume this task, and this bibliography will be printed in a special issue of the magazine AL-TA'LIM AL-ISLAMI each year.

Long-Term Research Projects

Research on the bases of Islamic education, which will be completed in 3 years.

That is a summary containing verses and stories from the holy Koran and the pure sayings and doings of the prophet, as well as everything written on education, including the foundations of Islamic education and its systems of upbringing, from the era of the prophet, on whom be God's prayers and peace, to today. Dr 'Abd-al-Hamid al-Hashimi, Dr Zaki Badawi, and Dr Sayyid 'Ali Ashraf will take part in preparing this. There is research in Islamic education and politics in Bengal from 1919 to 1974, which is to be completed in 2 years; this is being prepared by Mr Muzmil Haqq.

Textbook Projects

There are textbooks dealing with the following subjects from the Islamic viewpoint which are required in compulsory education in the pre-university levels and the university level in all Islamic countries; these subjects are:

The Islamic philosophy of science and knowledge, fine arts, the art of Islamic architecture, literary criticism, history, sociology and economics.

There also are selected readings from all important sources from the era of the prophet, on whom be prayers and peace, up to today; the subjects these selections deal with are Islamic jurisprudence, comparative religion, political theory, economics, sociology, historiography, literary criticism and the supernatural or the philosophy of logic. This is in addition to such other subjects as jurisprudence, divorce, the theory of values, and the philosophy of science, knowledge and technology.

The World Islamic Education Center's Budget

Following the latest administrative measures the secretariat general has taken to enable the center to set out to engage in its activities in cooperation with King 'Abd-al-'Aziz University, in the first stage of the establishment of the university--in view of the fact that the special procedures for appointing the administrative council in order to round out the center's organizational structure is now under study so that it may be feasible for it to study the administrative and

fiscal situation for the coming fiscal year--it would be appropriate if the center's budget for the fiscal year 1981-82 were agreed to the same year. The basic sum set forth for fiscal year 1980-81 is US\$ 1,926,708.

A memorandum on the subject of member countries' contributions to the center budget will be presented at the 12th Islamic foreign ministers' conference so that the paragraph bearing on that in the special bylaws of the center may be amended, now that the financial and administrative affairs department in the secretariat general has prepared a table on the member countries' contributions to this budget along the lines of their contributions to the secretariat general for distribution among member countries and consequent presentation to the coming Islamic conference for approval.

Percentage Contributions of Member Countries to the Budget of the World Islamic Education Center in Mecca for Fiscal Year 1981-82

Country	Percentage	/Amount/
Afghanistan	1.22	24,104
Algeria	3.96	77,763
Bahrain	1.64	32,205
Bangladesh	2.02	39,666
Cameroons	1.64	32,205
Chad	1.23	24,154
Comoro Islands	1.23	24,154
Egypt	2.48	48,699
Gabon	1.64	32,205
Gambia	1.23	24,154
Guinea	1.23	24,154
Guinea Bisseau	1.23	24,154
Indonesia	3.96	77,763
Iran	5.93	116,447
Iraq	3.96	77,763
Jibouti	1.23	24,154
Jordan	2.02	39,666
Kuwait	4.94	97,008
Lebanon	2.02	39,666
Libya	4.94	97,008
Malaysia	3.46	67,944
Maldives	1.23	24,154
Mali	1.23	24,154
Mauritania	1.64	32,205
Morocco	3.96	77,763
Niger	1.64	32,205
Oman	1.64	32,205
Pakistan	3.46	67,944
Qatar	3.46	67,944
Kingdom of Saudi Arabia	5.93	116,447
Senegal	1.64	32,205
Somalia	1.64	32,205

Sudan	2.02	39,666
Syria	2.02	39,666
Tunisia	2.02	39,666
Turkey	3.96	77,763
Uganda	1.64	32,205
United Arab Emirates	3.96	77,763
Upper Volta	1.23	24,154
Yemen Arab / <u>Republic</u> /	1.23	24,154
People's Democratic Yemen	1.23	24,154
<u>/Total/</u>	100.0	1,963,708

11887

CSO: 4404/139

RECENT POLITICAL CHANGES, EVENTS AFFECTING GULF COUNTRIES EXAMINED

Paris AL-MUSTAQBAL in Arabic No 241, 3 Oct 81 pp 28-29

[Article by Riyad Najib al-Rayyis: "AL-MUSTAQBAL Publishes the Minutes of the Ta'if Conference Meetings: Gulf Priorities in View of the Ten Political Changes and Events"]

[Text] The second chapter of the Gulf Cooperation Council [GCC] began in al-Ta'if during the 3-day period of 31 August to 3 September of this year. This beginning was an encouraging one for the six member states after the slow beginning experienced by the GCC which ended its long period of preparation.

The distance was not great from al-Ta'if to Riyadh and then from there to Muscat and to Abu Dhabi, and then back to al-Ta'if once again. That is, it was not long after the idea of establishing the GCC was brought up at the Islamic summit conference in al-Ta'if in January 1981 until the first preparatory meeting was held in Riyadh, until the constituent assembly was held in Muscat in March of 1981, and until the first Gulf summit conference was held in Abu Dhabi--a conference which consecrated the legitimacy of its establishment and the legality of the GCC as an organization. All of this happened within the space of months. [All this happened in a very short time] when compared to the years that the EEC nations spent before establishing the structures of their organization and before the EEC organizations developed. In the case of the EEC, the distance travelled had to be from Strasbourg to Messina and then to Venice and Rome. It took years before the ECC nations became a regional group of importance in the international arena. This is why the first step in the thousand-mile journey to be travelled by the Gulf nations--in spite of the difficulty and gravity of the step--appears to be a step which was quickly taken in the field of regional cooperation when compared to [steps taken by] the ECC or the Asian group ASEAN, which includes six Asian nations having similar regimes and joint interests.

The Ten Changes and Events

It is true that it is unjust to compare the GCC, which is still tentatively attempting its first practical steps, with similar organizations such as the EEC, ASEAN, or any other regional organization. The reason for this is that usually a long distance is to be travelled between the anxieties of a dream and the realization of that dream. Between the time of the holding of the first Gulf summit conference in Abu Dhabi on 26 May 1981, which officially proclaimed the establishment of the GCC, and the conference of foreign ministers of the Arab Gulf nations, which was held in al-Ta'if on 31 August of this year, there occurred some political changes

and events both inside and along the borders and horizons of the Arabian Peninsula area which, during the 3 months which went by between the holding of these two conferences, produced a new situation.

It is also true that, between the times that the two conferences were held, the GCC came to have a secretary general, assistant secretaries general, a headquarters, a budget, a constitution, bylaws, some employed officials, and a lot of reports produced. But all of this so far has not provided the GCC with policies, roles, and positions to be taken. So far the GCC is no more than a block of similar regimes constituting a geographical unit. The GCC has not yet become a regional organization characterized by unity and having a distinctive or particular strategy within the Arab Middle East.

The political changes and events affecting the Gulf nations and involving the traditional positions taken by these nations occurred too fast for the GCC to be able to be prepared for these changes and events in advance and to be able to confront them, because at that time the GCC was still in the stage of being established. The summit conference at Abu Dhabi was the first session of the GCC's Supreme Council, which includes the rulers of the six member states. The Ta'if conference was the first session held by the GCC's Council of Ministers, which includes the foreign ministers of the member states. At Abu Dhabi the Gulf nations concluded their meeting on the basis that, at the Ta'if meeting, they would discuss a group of issues which, on the whole, would be economic, administrative, and procedural in nature. They also agreed to discuss subjects relating to security which had been brought up by the Sultanate of Oman in the working paper which it had submitted to the Abu Dhabi conference and concerning which a decision was postponed until the Ta'if conference. At the Abu Dhabi summit conference the concern was mainly that the conference be conducted within a legal framework and in practice. The concern was not so much to discuss the differing political points of view of the conference members.

But events and changes did occur on the path from Abu Dhabi to al-Ta'if, and during the 3-month period which separated the conferences held in these two locations. These events and changes, which the GCC nations could not take into account during their last meeting, were as follows:

1. The Israeli attack on the Iraqi nuclear reactor near Baghdad, the subsequent Israeli bombing attack on Beirut, and the triumph of the point of view which states that Israel constitutes a permanent danger and a more likely danger than the Soviet threat.
2. The increasing intensity of the internal violence in Iran, as embodied by the killing of the Iranian president of the republic and prime minister, and the intensification of the civil war, being waged to settle accounts, to the degree that it has made it totally impossible to arrive at a solution to halt the Iraqi-Iranian war which has been going on for a full year. The fear is now that Iran will fall into the hands of the leftists and that the Iranian civil war will spill over to places outside the borders of Iran--with all of the geographical alterations which might result from this and which might lead to the balkanization of Iran.
3. The failure of President Reagan's administration so far to emerge with a clear U.S. policy, which could be considered to be moderate, as far as the Middle East problem is concerned and which could lead to the possibility of a just solution for

the Palestine issue. Quite to the contrary. Reagan's administration has continued to openly side with Israel and has continued to arm Israel and supply it with airplanes even after Israel attacked Baghdad and Beirut. This occurred in the face of the Arabs' inability to put pressure on Washington to come up with a satisfactory U.S. policy with regard to the Middle East.

4. The definite failure of the European initiative to create an acceptable alternative to the Camp David policy which could put the Middle East issue on the path toward a solution, and the departure of socialist France from the framework of the European initiative and its assumption of a new and special role of its own to be played in the Middle East and which is not being happily received by all parties in the Arab world.

5. The announcement by Prince Fahd, the heir to the Saudi throne, of an initiative which is tantamount to an Arab alternative plan to the plans which have been suggested for the Middle East arena. This initiative calls for the establishment of a Palestinian state as a basic condition, calls for dispensing with the Camp David policy, and calls for a radical change in the policy followed by the U.S.--including recognition of the PLO. However, Prince Fahd's plan or initiative so far has failed to gain total Arab support and has not found unanimous support on the part of the Palestinians. Prince Fahd's initiative might constitute the beginning of clear demands concerning Saudi-U.S. relations which might cause Reagan's administration to pursue a policy which is more balanced in relation to Saudi Arabia and thus more balanced concerning the Palestine issue to that a united Arab position concerning this initiative can be reached before the beginning of the next Arab summit conference.

6. The dispute which arose during the last OPEC conference in Geneva and the failure of OPEC to arrive at a new uniform price for oil, due to Saudi Arabia's insistence on its position of either not raising the price of oil to more than \$34 a barrel or cutting its production by more than 1 million barrels a day. This dispute is considered to be the most dangerous dispute which has occurred in the history of OPEC. In fact, it might spell the end of OPEC's role unless agreement can be reached concerning a solution to this dispute during the next conference which will be held in Abu Dhabi next December.

7. The occurrence of some acts of sabotage in Kuwait during the past 3 months, deterioration in relations between Kuwait and Iraq due to Iraq's refusal to definitely demarcate its border with Kuwait, and Kuwait's refusal to grant Iraq facilities in the two islands of Warbah and Bubiyan. In addition to this, there has been tension in Kuwaiti relations with Iran because of [Iran's] seizure of a Kuwaiti ship. Kuwait also constantly fears that Iran will foment provocative actions inside Kuwait. There has also been a feeling that Kuwait's unique relations with the "progressive" nations in the area have cooled.

8. Continuation of the cool attitude, reserve, and even hostility toward the creation of the GCC which has been shown by many of the Arab countries, including Iraq, Syria, South Yemen, the PLO, North Yemen, Somalia, and Jordan--each for its own various and particular reasons. [They feel that] this constitutes a threat to their traditional relations with the nations of the Gulf, and they are apprehensive about the establishment of a regional bloc which would compete with the role of the Arab League and its various organizations and that this regional block would be utilized by the rich oil-producing nations to dominate the other [Arab] nations.

9. The signing of the treaty of friendship and cooperation between Libya, South Yemen, and Ethiopia which covers the realms of economic, political, and military cooperation between these three nations which are closely linked to the Soviet Union. Furthermore, this tripartite treaty, for the first time, brings a non-Arab country, in this case Ethiopia, into an Arab bloc--of any type or orientation. This treaty serves to increase traditional Gulf apprehensions concerning the Soviet Union, its expansionist policy, and its policy of encirclement in the region. This has forced a number of GCC nations having "cordial" relations with Tripoli and Aden to take a position hostile to this treaty.

10. The shooting down of the two Libyan planes over the Libyan Gulf of Sidra by the American planes belonging to the 6th Fleet, along with all the accompanying obvious flexing of U.S. military muscle and Libyan military and political challenge to the U.S. role in the Mediterranean. The U.S.-Libyan aerial clash occurred at a time when Col Qadhafi was in Aden, signing the abovementioned treaty of friendship and cooperation with South Yemen and Ethiopia. It is no secret that the U.S. intention in connection with the aerial clash with Libya was to tell Moscow that Washington has the political will and military muscle to stand up to the allies of the Soviet Union in the area and to limit their influence.

Internal Measures

When the foreign ministers of the six Gulf nations met in al-Ta'if they realized that, in view of these ten political changes and events, they were confronted with new situations which they had not taken into account during their previous meeting in Abu Dhabi. However, this did not prevent them from beginning to deal with procedural matters which had been awaiting them and making decisions concerning them before taking up the political and security-related matters, the discussion of which had been postponed at the Abu Dhabi conference and which had been transcended by the ten changes and events.

Here is what took place in the realm of procedural matters:

Agreement was reached concerning the appointment of two assistant secretaries general to Secretary General 'Abdallah Bisharah. The position of assistant secretary general for political affairs was granted to Oman, which chose Ibrahim al-Subhi, Oman's present ambassador to China, for the job. The Sultanate of Oman had insisted on having the right to fill the position of assistant secretary general for political affairs in case Kuwait, in the person of 'Abdallah Bisharah, was granted the right to fill the position of secretary general. The initial two Omani candidates for the job were Ahmad Makki, Oman's ambassador in Paris, and Muhammad Hasan, Oman's ambassador in Bahrain. Several months ago Ahmad Makki declined to accept the position when his name was suggested since he preferred to remain in the Omani diplomatic corps. It is expected that Ambassador Makki will soon be brought home from Paris to occupy an important position in Muscat. He has already held the position of chief of the Political Office in the Omani Ministry of Foreign Affairs. As for Ambassador Muhammad Hasan, he preferred to remain in Bahrain.

Ibrahim al-Subhi has held the post of charge d'affaires in the Omani embassy in London. After that he was transferred to the Ministry of Information where he worked for a brief period, and then he was appointed the Omani ambassador to China when

diplomatic relations were established between China and Oman in 1978. The other position, that of assistant secretary general for economic affairs, was granted to Saudi Arabia, and the person whom Saudi Arabia picked for the job was Dr 'Abdallah al-Quwayz. He has a doctor's degree in economics and has already held several high positions in Saudi Arabia. It is expected that the third assistant secretary general, for administrative affairs, will be appointed during the next few months after the job structure of the Secretariat General has been completed and when it begins functioning in its new headquarters in Riyadh. It is expected that Bahrain will be granted the right to fill the third assistant secretary general position. So far no candidates' names have been mentioned for the position.

In the Member States

There was one other procedural matter which was discussed by the GCC Council of Ministers and which was in the category of the "more important" steps to be taken which would affect the future of the structure of the GCC, which is still in its growing stages. This was the ratification by the Council of the economic agreement which was initialed by the ministers of finance and economy last June, and the submission of this agreement to the upcoming second Gulf summit conference to be ratified by the GCC Supreme Council. The importance of this economic agreement is that it is a nucleus for comprehensive economic unity. However, it still remains within a general framework, containing detailed agreements concerning which discussion is still going on. This agreement will not allow citizens of the Gulf countries to deal in commerce, make investments, and own real estate in each other's countries either as easily as some people imagine nor as quickly as many people have been led to believe. But it is a positive step along the long road which will lead the Gulf nations to complete economic homogeneity among themselves and a complete mutual economic open-door policy. Economic integration of the six nations is still in its beginning stages. For this reason it is being stressed that economic cooperation between the GCC nations is the backbone of the work to be done in the future which will serve to mould the region into a "framework which will pave the way toward the region's unification." The GCC's invitation to the ministers of industry in the member states to hold a meeting before the second summit conference is a part of this emphasis on the economic structure, and 'Abdallah Bisharah, the GCC's secretary general, considers this to be the basic task of the GCC and that this, in turn, will lead to mutual political understanding. That is, he feels that when the GCC nations' economic interests are closely united, their resulting economic interests will impose a political accord.

The third and last day of the 3-day meeting of the Gulf nations in al-Ta'if drew to an end. The final joint communique had already been issued and it mentioned, in one form or another, most of the ten political changes and events which had influenced the political thinking of the six musketeers of the Gulf. Everyone had had a chance to speak at the round table, they had all finished exchanging smiles with each other, and the first session of the Gulf Council of Ministers was over.

The thousand-mile journey to be travelled by the Gulf nations seemed long just as the first step which they had taken seemed large and effective. The curtain came down over the Gulf stage, the director of the drama was pleased, the actors were happy, and the audience was enthusiastic.

As we wait for the second session to be held, there is no doubt that these political changes and events will have their effect. They will either make the road of Gulf cooperation more slippery or they will cause it to be firmer and safer!

PERSIAN GULF AFFAIRS

NEED FOR OIL POLICY AGREEMENT CITED AS NECESSARY FOR GULF SECURITY

Paris AL-NAHAR AL-'ARABI WA AL-DUWALI in Arabic No 229,27 Sep 81 p 18

[Article by 'Ali Hashim: "First on Oil Agreement, Then an Agreement Concerning Gulf Security"]

[Text] The European-Gulf Marriage Will Be a Success If Europe Becomes Independent.

Abu Dhabi--Summer is over, but summer has not yet come to an end for the Persian Gulf. The temperature has dropped in the rest of the world, but the temperature is still high in the Gulf area. This is the destiny of the Gulf. Along with destiny there are problems. There is a problem every day, every month, and every year. The people in the Gulf area read, listed, and smile. Even with their riches and wealth, their hearts are full of apprehensions and feelings of danger which can only be sensed by those who suffer from them. You cannot convince the natives of the Gulf area that they are in a situation of danger, nor do they talk to you about the danger which they feel and are experiencing.

What is going on in the Persian Gulf right now?

The summer vacation is over, and yet it has not come to an end.

Summer is over, for the Europeans, the month of Ramadan is over, and the 'Id al-Fitr came after it. Now is the time for the Sacred Journey to Mecca, and soon the Feast of the Sacrifice will take place. The rulers of the Gulf nations have mostly returned, but many people from the Gulf area are still in the various world capitals and are waiting for the time when school starts again. They possess wealth, and they have faith in their hearts, but this is not enough in a world which has come to be lacking both in faith and in wealth.

The Problem--Before and After

The Persian Gulf is the world's powder keg. It is a huge strategic location and it is where the reserves of energy are. For both of these reasons the eyes of the world are fixed on it. The world, in this case, means the two superpowers and the other industrial nations of both rightist and leftist orientation which are attempting to find a place in the sun for themselves in the Gulf area.

There are many problems in and around the Gulf area. The rulers of the nations in the region realize this, and this is why they hastened to establish the Gulf Cooperation Council [GCC]. Even though the GCC was not intended as a formula for unification, it can at least serve as a formula for unifying the positions taken by the various Gulf countries and consequently can serve as a formula for uniting their destiny, even though the various nations have differing points of view. The rulers of the Gulf nations know the importance of this and have stated that the existence of differences in opinions means that they must try to understand each other's positions and study them in order to be unified in their positions. A problem has emerged in this regard, but it is a problem which is on its way toward being solved.

Another problem has been the matter of studying the position to be taken with regard to security, and in this regard different interpretations and opinions have arisen. But these interpretations and opinions have remained under study because Saudi Arabia is the foremost power in the Gulf area and has not yet stated its opinion in this regard. So far its policy has mainly been occupied with what it calls the "peace based on a Palestinian solution," rather than a peace based on an Israeli or U.S. solution. By pursuing this course of action Saudi Arabia has told Washington that the basis of the [Middle East] problem is Israel rather than the communist threat, as Washington would have it believed.

Other nations in the region do not dispute this logic on the part of Saudi Arabia. In fact they support it and go along with it. But at the same time these nations point out that Israel, which arose in the north, will not be the only such nation because there are other Israels which the other side is attempting to create. What does this mean? It means nothing less than an attempt to tear apart and dismember the Arab world and to divide it up between the two superpowers. It means that the two superpowers will say to each other: "You take this, and I'll take that. I want this, and you can have that." This means that the Arab world would end up being a piece of dough being kneaded by the U.S. Camp David policy and the Soviet camp, and that it will be baked by both of the superpowers. The only winner in this business will be either Washington or Moscow, and the only loser will be the Arabs. The third problem is, of course, the Iraqi-Iranian war. In Baghdad there were harsh words against the Gulf Arabs, as we saw in the private discussions of the Iraqi president, Saddam Husayn. The words were even harsher in Tehran where the slogan has been to rally to the banner of Islam, even though the Arab Gulf countries are Muslim. The Arab Gulf countries are Arab in nationality and identity and Muslim in religion. Baghdad has at least allowed the Gulf countries to retain their Arab identity--after it proved, not that it is capable of maintaining their existence, but capable of continuing and being victorious in a long war instead of retreating and signing a cease-fire agreement after only a few days.

The people of the Gulf did not wish for Iran to undergo what has happened to it. They rejoiced over its revolution and hoped that the revolution would settle down and that Iran would coexist with its neighbors. But the Iranian revolution talks a great deal about internal conspiracies. These conspiracies are not the fault of the Gulf countries. The Gulf countries want these conspiracies to end, they want the situation to stabilize, and they want everybody's rights to be respected--with the Arab identity of the Gulf countries being something which is both recognized and maintained.

What Do the Gulf Countries Want?

Let us go back to basics. What do the Arab Gulf countries want now? What they want is a settlement of the oil-pricing issue and the issue of its production so that solidarity will once again be a characteristic of OPEC and so that there will be unity in the positions taken by the eastern Arab countries--or at least most of them--and the positions taken by the African countries, both the Arab and non-Arab ones. Then the Gulf countries want things to move in the direction of making a serious study of the issue of security for the Gulf so that they will not always have to listen to the worn-out record which talks about the fact that the people of the Gulf are responsible for protecting its security. Of course, the people of the Gulf are responsible for this. But their responsibility should be fixed by drawing up a strategic plan which tells each participant what he is capable of and what his duties are. The plan should not simply make absolute statements without having individuals confront their responsibilities. So far there is no clear plan concerning the issue of security other than what has been said about working papers and studies which were submitted to the Executive Council which held a session a few months ago in Abu Dhabi. These studies and plans were surrounded by a media blackout because the rulers of the Gulf nations do not want their agreement to be publicized and do want it to be known to forces which are interested in encircling the Gulf area. Of course, a lot is being said about these plans and studies, and all parties concerned in the Gulf area have their own particular points of view and interpretations, in accordance with their political and ideological inclinations and orientations. But one thing is clear, and that is that the study or studies are concerned with what is called the "future and identity of the Gulf area as a whole." The winds which are blowing around, and blowing toward, the Gulf are only interested in one thing--gobbling up its wealth and utilizing it, and at the same time maintaining formalities which benefit their clients in the area. But the fact is that these winds are against the Gulf area, against its national identity, and against its ethnic affinity.

European Penetration

So far everything has been expected to happen in the Gulf area. But the important thing that has happened is the European penetration of the U.S. blockade of the region. Europe began to take action, not out of concern for the nations of the Persian Gulf, but in order to maintain its interests. These interests consist of maintaining cooperation with the oil-producing nations of the Gulf, and giving the Gulf nations weapons, technology, and additional independence in the positions which they take.

There have been numerous European visits to heads of state and governmental heads in the Gulf area, and now the visit of Francois Mitterrand, the French prime minister, is inaugurating a new policy which will link the conservative Persian Gulf nations and the European socialists. This visit will not be an easy one, and it will not easily achieve results. The visit is part of the effort to achieve harmonious relations between Europe, both conservative and socialist, and the conservative Gulf nations in order to take the Gulf out of the clutches of the two superpowers.

But the results of this harmonious relationship will remain limited until Europe definitely demonstrates its independence from Washington and Moscow and openly recognizes the rights of the Arabs to Palestine--not through initiatives, but rather through complete and total recognition, and free of any complexes or complications. Only then can the European-Gulf marriage take place.

9468

CSO: 4404/41

KARMAL DISTRIBUTES PARTY MEMBERSHIP CARDS

LD102152 Kabul Domestic Service in Dari 1730 GMT 10 Jan 82

[Excerpts] Babrak Karmal, general secretary of the PDPA Central Committee and president of the DRA Revolutionary Council, this morning distributed PDPA membership cards to full members and candidate members of the party Central Committee and representatives of workers, peasants and troops of the armed forces and Sarandoy, teachers and students--party members--at a grand ceremony held at the Central Committee headquarters.

At the opening of the ceremony the internationale was played. The Babrak Karmal said:

Dear comrades, it is my pleasure now, a short time after the distribution of party membership cards to the comrade members of the Politburo and the Secretariat of the PDPA Central Committee, to distribute party membership cards to full members and candidate members of the Central Committee and a number of representatives of toilers. I sincerely thank the party Politburo whose members have once again entrusted me with this pleasing work.

Receiving the membership card of our beloved party is a great and important event for every principled and true member and is counted as a great honor, in particular if this honor is earned in the ranks of the first people. The distribution of party cards, which began with the distribution of membership cards to the Politburo members, this militant camp of the leadership of the party of heroes and our martyrs, is one of the memorable events in party life and will bring fruitful and important results for the consolidation of party ranks and the improvement of organizational work.

I have talked about the fact that the distribution of party membership cards is not a technical action but that it represents a totality of measures and steps having extraordinary political and organizational importance. Now I would like once again to emphasize that this measure should help toward enhancing the militant capability of the party, toward the political and organizational training of its members, increasing the credibility of the party and further strengthening its organic unity and cleaning and purifying party ranks.

Esteemed comrades, in reaching these demands and aspirations the party Central Committee, as an authorized and high organ of the leadership of the party, has a particular and extraordinary role. The Central Committee must always be a

united and firm nucleus around which all party members will rally to accomplish their historic tasks and consolidate the unity and solidarity of their ranks. The Central Committee must always be the symbol and example of the unity and observance of lofty party discipline. Relations between members of the party Central Committee must serve as an example and be indicative of those relations of the new era for whose realization throughout society our party is struggling on the basis of its world outlook. In brief, the Central Committee must be the small and credible example of undeviated observance of measures stipulated in the charter and the ideological principles of the party, and the outstanding example of its ideological, organizational and political unity.

With hope for the expansion and development of such a character and plan in the Central Committee of our beloved party, the PDPA, I sincerely congratulate all full members and candidate members on the occasion of receiving party membership cards and wish them great successes in noble activity for the just cause of the party, people and homeland and the building of a new and prosperous society in our ancient country, dear Afghanistan. Also, I heartily congratulate those comrades who, because of their exemplary party activity, have earned the honor of attaining membership cards in the ranks of the Central Committee.

Allow me to now begin the distribution of party membership cards to PDPA Central Committee members alphabetically.

After his speech which was accompanied by applause from the audience, Babrak Karmal distributed party membership cards to the full members and candidate members of the PDPA Central Committee and the representatives of toilers, including workers, peasants, troops, teachers, students and others.

At the distribution ceremony of the party membership cards members of the Politburo and Secretariat of the PDPA Central Committee also took part.

Afterwards General 'Abol Qader, member of the PDPA Central Committee, made a statement on behalf of the party Central Committee members.

CSO: 4665/8

KESHTMAND URGES IMPROVED IMPLEMENTATION OF TASKS

LD311954 Kabul Domestic Service in Dari 1600 GMT 30 Dec 81

[Speech by Soltan 'Ali Keshtmand, member of the PDPA Central Committee and chairman of Council of Ministers, to 30 December seminar of officials and employees of the Ministries of Water and Power, and Mines and Industry at the Council of Ministers building in Kabul--recorded]

[Text] Comrades and dear friends. The DRA Council of Ministers decided to convene a seminar with the participation of a number of officials and employees of the Ministries of Water and Power, and Mines and Industries; and in the course of which to consider and evaluate the activities of these two ministries in the past months of the current year and to determine their principal duties for the enhancement of their work and activities in the near future.

This seminar should not take the form of superficial session, but by consideration of the practical and crucial phases such seminars must reveal all work shortcomings in the machineries of the ministries and other government administration organs. They should draw attention to issues and existing problems and study and streamline specified and essential measures for the implementation of the DRA's socioeconomic development plans.

The successful implementation of the socioeconomic tasks on a nationwide scale is within our reach. The guidance and administration of economic activity in all places and at all levels must regularly be enhanced and the means and methods of work of the government machinery must be improved.

Comrade Babrak Karmal, general secretary of the PDPA Central Committee and president of the DRA Revolutionary Council, said the following in his rich speech at the Seventh PDPA Central Committee Plenum.

Today our party and the revolutionary government are at a stage of their development which provides us with the opportunity to solve more responsibly and more skillfully all problems concerning the unity of the party and of the organs of state power, drawing the masses toward the revolution, the administration of the economy and so forth.

With all due respect to our cadres, we have a duty to enhance discipline and order regarding the duties allotted to them. We declare our resolute struggle against any form of irresponsibility, lack of discipline, manifestation of factionalism and lack of initiative.

We have accepted formidable responsibility for the fate of the homeland; this is a heavy and troublesome task but it is noble and, therefore, this task must determine the standard of our discipline toward cadres and their responsibilities regarding the nature of the tasks.

In accordance with this detailed evaluation by Comrade Babrak Karmal, the creation and strengthening of stable discipline and order in the government machinery is one of our most important duties in the present stage, and this plays an important role in the evolution of all of our activities.

We have taken and will continue to take many measures and make good decisions, but supervision and control of their implementation are inadequate and defective. Therefore, it is necessary for these shortcomings to be resolutely corrected and removed; and we should strive that the leaders and officials of the ministries and government departments, the heads of enterprises and of the industrial institutions, are more perceptive and accept greater responsibility, are relentless in their endeavor to implement and enforce the provisions of DRA laws, and the resolutions of the Revolutionary Council, of the PDPA Central Committee and of the DRA Council of Ministers.

For this reason, the DRA Council of Ministers will regularly hear and study the reports of the ministries and government departments regarding their activities and their implementation of resolutions passed by the authorities.

Today he will hear the reports of two ministers and the speeches of ministry officials about their activity and work regarding the execution of the socio-economic development plan of the DRA for 1981.

The following is mentioned in Article 18 of the DRA basic principles:

The government directs the progress of the national economy to eliminate the country's economic backwardness, to enhance the standard of living of all people, nationalities and tribes in Afghanistan, to eliminate all kinds of exploitation and to construct a new society in accordance with the objectives of the Saur revolution.

In order to carry out this fundamental provision of the DRA basic principles, the government will formulate and regulate scientifically the socioeconomic development plans. The plans which are formulated in accordance with the scientific principles, demonstrate [word indistinct] the specific line of basic PDPA policy.

Strengthening government discipline and effecting regular and constant control over the implementation and execution of the formulated plans are counted as the most important and serious tasks in enhancing the activity of the government machinery and today's session is aimed at serving these objectives.

Meanwhile, we want to generate and broaden criticism and self-criticism of the government's work and activity.

In most instances, the reports of ministers and other officials in the ministries and departments merely speak of their successes and overvalue their activities and if anything is said about shortcoming it generally refers to the activity of other ministries, departments and enterprises.

We should not be afraid of criticism and self-criticism nor avoid it. The officials in charge of the ministries and departments who evaluate their own work and the activities of subordinate employees critically and correctly, and who perceive in time the difficulties and shortcomings, can organize work properly, remove the existing shortcomings and achieve the required successes for the better administration of the department's affairs.

Therefore, it should be mentioned that we expect those who present reports and deliver speeches today to evaluate the shortcoming of their work using the tested and effective method of criticism and self-criticism, on a broad scale, in a noble manner and with earnest feelings of responsibility, and to present their specific suggestions for the improvement of activities and the implementation of the objectives of the socioeconomic development plans for 1981.

We are confident that today's seminar will assist the improvement of administrative activities and the organization of affairs, thus securing the progress of industries and energy, enhancing the level of government discipline responsibility toward work and the solution of difficult, formidable but proud tasks which face our beloved homeland, revolutionary Afghanistan.

CSO: 4665/8

TEXT OF TREATY WITH BULGARIA PUBLISHED

Kabul KABUL NEW TIMES in English 27 Dec 81 p 3

[Text] Following is the text of the Treaty for Friendship and Cooperation between the Democratic Republic of Afghanistan and the People's Republic of Bulgaria; signed recently:

The Democratic Republic of Afghanistan and the People's Republic of Bulgaria,

Proceeding from the relations of fraternal friendship, solidarity and all-round cooperation established between them and based on the community of their objectives,

Firmly convinced that the further development and deepening of these relations correspond to the fundamental interests of the peoples of the two countries and contribute to the consolidation of peace and security throughout the world,

United in the struggle against imperialism, hegemonism, expansionism for the final elimination of colonialism, neo-colonialism, racism and apartheid,

Expressing their solidarity with the peoples fighting for peace, national independence, democracy and social progress,

Convinced that the development of the friendly relations and cooperation between the socialist community countries and the developing states is in conformity with their common interests,

Reaffirming their adherence to the aims and principles laid down in the United Nations Charter and

Attaching a great significance to the further development and strengthening of the legal and juridical basis of their interrelationships,

Have agreed as follows:

ARTICLE 1

The high contracting parties solemnly proclaim their determination to strengthen, develop and deepen the relations of **indestructible friendship and all-round cooperation** between the Democratic Republic of Afghanistan and the People's Republic of Bulgaria on the basis of sovereign equality, territorial integrity and non-interference in the internal affairs.

ARTICLE 2

The high contracting parties shall cooperate with a

view to consolidating and expanding the socio-economic gains of their peoples

and shall promote their collaboration in the economic, commercial, scientific, technical and other fields in compliance with the principles of mutual advantage and fraternal mutual assistance. To this end they shall undertake efforts aimed at further expanding and deepening their cooperation and exchange of experience in the field of industry, trade, transport, agriculture, utilisation of natural resources, planning and other fields of economy.

ARTICLE 3

The high contracting parties shall assist the expansion of their cooperation and exchange of experience in the field of science, culture, education, health, sports and other fields.

ARTICLE 4

The high contracting parties shall promote the development of ties and cooperation between the state, cultural, scientific and educational departments and

institutes, between the trade-union, youth and other socio-political organisations with a view of acquiring better knowledge of the life and the achievements of the peoples of the two countries. They shall render each other assistance in the training of national cadres.

ARTICLE 5

The high contracting parties shall mutually inform and consult each other on matters pertaining to bilateral relations and on important international problems of mutual interest.

ARTICLE 6

The high contracting parties shall continue to make all efforts for the settlement through peaceful means of controversial matters among states, for the consolidation of international peace and security, for the deepening of international detente and its conversion into an irreversible process for all regions in the world.

They shall actively contribute to the achievement of general and complete disarmament, including nuclear disarmament under effective control, for the final abolition of war from the life of peoples.

ARTICLE 7

The high contracting parties shall wage a consistent struggle against the forces of imperialism and reaction, of hegemonism and expansionism, for the final abolishment of colonialism, neo-colonialism, racism and

apartheid, in all their forms and manifestations, for the complete application of the declaration of the United Nations Organisation for granting independence to colonial countries and peoples.

They shall cooperate between them, as well as with other peace-loving states, to render support to the just struggle of the peoples of Asia, Africa and Latin America for freedom, independence and social progress.

ARTICLE 8

Each of the high contracting parties states that it shall not participate in actions directed against the other contracting party, and pledges not to conclude international treaties contradictory to the present treaty.

ARTICLE 9

Questions which might arise between the high contracting parties concerning the interpretation or application of the provisions of this treaty shall be settled by means of negotiations in the spirit of friendship, mutual respect and understanding.

ARTICLE 10

This treaty is concluded for a period of 25 years and shall be automatically prolonged for every next period of 10 years if neither of the high contracting parties states in written form one year prior to the expiration of the respective period that it is desirous to discontinue its action.

ARTICLE 11

This treaty is subject to ratification and shall come into force as of the date

of exchange of ratification documents which shall be effected at Kabul.

Done at Sofia, on December 22, 1981, in the duplicate form, each copy consisting of Bulgarian, Dari and English texts, the three of them being equally authentic. In cases of difference of interpretation of the Bulgarian and Dari texts, the English text shall be determinative.

For the Democratic Republic of Afghanistan:

Babrak Karmal.

For the People's Republic of Bulgaria:

Todor Zhivkov.

KABUL ELECTRICAL POWER SYSTEM ENLARGED

Kabul KABUL NEW TIMES in English 8 Dec 81 p 3

[Text]

This year, in the first six months about 222,112,545 kwh electricity was provided to the consumers, numbering to some 88,000, bringing the state about Afs. 250 million.

Talking to a reporter of the Kabul New Times on supply and demand, method of activity, system of distribution of electricity in Kabul city, Eng Abdul Satar Safi, president of the Kabul electric department said, electricity obtained from the Naghlu, Mahipar and Sarobi hydro-electric power stations are distributed to Kabul inhabitants as well as to Government and non-government organisations through transmission lines and sub-stations of various capacity.

As the number of newly built houses within the housing projects in Kabul is rapidly increasing, the demand for electricity too is on the increase. In order to maintain and supervise the existing electric grid in Kabul, a commission was assigned to supervise the distribution and consumption of electric energy in Kabul, taking into view

the difficulties of the people of Kabul and the means available.

During the first six months of this year an additional 2,000 households who earlier lacked this essential were provided with electricity. The distribution of electricity to new consumers continue despite technical difficulties. However, in areas where the technical problems are acute, and in order to maintain the present electric grid functional without disruption, electricity is not distributed. Furthermore, in some residential areas, the installed transformers are over-used. For instance if a transfer is meant to illuminate 200 houses, it is used for illumination of 400 houses, resulting in low voltage. In order to remove this drawback, the electricity department has undertaken a plan under which the transmission lines will be improved to meet the shortage of voltage.

The Kabul electricity department has also undertaken plans to solve the shortage of electricity in the provinces as well. Under a

protocol signed earlier with the German Democratic Republic, in addition to expansion of the present three sub-stations in Kabul another sub-station with 110.15 kw is planned. The survey and study work of which has already been carried out by experts from the friendly country of the GDR.

Most areas in Kabul have no problems as far as wear and tear of power lines are concerned, as in most of the areas, the extension of power lines are done in the latest-method. However, in the old part of the city which is under the reconstruction plan of the Kabul Municipality, people have difficulties while the power lines are being restored. However, efforts are being made to remove these difficulties as quickly as possible.

The consumers are required to pay their electric bills every two months. The per hour electric consumption price is very low.

Though the price of fuel wood is considerably increased, the price of electricity is maintained at the same rate, to help the consumers.

For sometime electricity supply in Kabul has been abnormal due to disruptions in distribution and power lines.

In areas where the transformers are overloaded, there is a two-hour power cut to prevent damages to equipment. Due to shortage of fuel wood, many people prefer to make use of electricity and this has compelled the electric department to introduce a temporary power cut in some areas of the city. However, it is hoped that soon this shortcomings will be removed, Eng Safi said.

CSO: 4600/182

WOMEN BENEFIT FROM REVOLUTIONARY REFORMS

Kabul KABUL NEW TIMES in English 21 Dec 81 p 3

[Text]

"With the triumph of the Saur Revolution, especially its new, evolutionary phase, a significant change in the social and political life of the entire working people of our country took place and for ever eliminated all kinds of discrimination and social oppression and inequality among the different tribes and nationalities. Also, for the first time, in history, our nation has adopted measures ensuring the equality of rights between men and women of the country."

"These fundamental social and political reform not only were instrumental in elimination of inequality among the population, but in fact they prepared the ground for both the sexes of our free-born and valorous people to unitedly work for removing the difficulties obstructing their onward march towards development. It also give them the opportunity to take an active part in the construction of new life in the Democratic Republic of Afghanistan", said Nooria Muhabi, a young worker at the Linotype section of the Government Printing Press

in an interview with the Kabul New Times.

She said, "I have been brought up in a worker family and from the very childhood I was deeply interested in working in a factory. Therefore, in order to realise my desire I joined the GPP so that by working here I can serve my people.

Nooria Muhabi who has joined the press one year ago has studied up to the ninth grade. "Though I had great interest in continuing my studies at school, unfortunately, I could not do so. Now that I have been employed in the press I very much enjoy working with my fellow workers here", she added.

In response to a question she said, "The salary I get is quite sufficient and to a great extent it suffice for my needs."

"We are very much grateful to our national-democratic Government for its attention towards the working people. After the emergence of the new order, greater facilities were provided to workers. For instance, the salaries of workers and Government wage-earners, were increased, transportation means were provided, the food allowance has been increased, greater attention is paid toward the betterment of living and working condition and a good atmosphere was created in the employment of workers and employees in the Government organisations".

"More important", she added, "the behaviour of officials towards workers are very sincere and friendly. This has been the main factor encouraging of workers to serve their country honestly."

"During the past anti-people and despotic regimes, the ruling authorities practically and purposely created obstacles on the way of the youth to serve their people and take part in the construction of their country", she recalled. "An atmosphere of suffocation prevailed in the administration and no opportunity was given to the working people to earn decent living. The working people were denied all social and political rights and the right to

get employed. Only the ruling class and their puppets and accomplices had access to all the material wealth of the country, while it was all produced by the working class".

"Unlike the past regime", she noted, "the national democratic Government of the DRA, from the inception of the Saur Revolution, especially since its new phase, has left no stone unturned for the general welfare of the entire working people of the country. Within the possible means of the nation, efforts have been made to improve the living and working conditions of the people and, to a large extent, the available facilities were extended to the people. We are witnessing striking achievements of the Government in the all-round advance of our country under the leadership of our beloved party, the PDPA."

One of the most important achievements of our party and state has the establishment of the National Fatherland Front in the DRA. This front, which was one of the long-cherished desires of the PDPA from the its founding, has finally

been established. This has been a firm step forward towards further consolidation of the unity of the entire population of the country around their party. It is a clear sign of our people's all-sided support for their national democratic Government and a good blow to the enemies of our revolution and homeland", she affirmed.

CSO: 4600/182

AFGHANISTAN

BRIEFS

INHABITANTS RETURN--Some (?150) inhabitants of Shindand, Herat Province, and 50 inhabitants of Sheberghan, Jowzjan Province, who left the country after having been misled by the propaganda of the enemies and counterrevolutionaries have returned home and joined the revolutionary government. They have pledged that they will not be misled by enemy propaganda and that they will cooperate fully in implementing the development programs put forth by the party and government. [Text] [GF091526 Kabul Radio in Urdu to South Asia 1330 GMT 9 Jan 82]

ISLAMIC UNITY WEEK--Yesterday the Mufti of Kashmiri Sunni Muslims and Maulana Azhari [not further identified] spoke on the observance of Islamic Unity Week. In his speech Maulana Azhari spoke on the need to emulate the holy prophet--may peace be upon him--and destroy idolatrous systems and appealed to Muslims of the world to unite. He added that Muslims should endeavor to regain their lawful rights by boycotting the United Nations and setting up an international Islamic organization under the guidance of the leader of the Islamic revolution, Imam Khomeyni. He said: Imam Khomeyni taught us a valuable lesson and alerted us; otherwise, our enemies would have crushed and laughed at us. Therefore, the Muslims of the world should arise under Khomeyni's banner to safeguard their independence. Later Prof Ashiq Kashmiri conveyed his greetings on the auspicious birth anniversary of the prophet--may peace be upon him--and expressed his support for the observance of Islamic Unity Week. In last evening's session the charge d'affaires of the embassy of the Islamic Republic of Iran, Mr Akhondzadeh, exposed the policies of the superpowers while explaining the Islamic revolution's stance. Later Ayatollah Jannati led the Maghrib prayers. [Excerpts] [GF131235 Tehran International Service in Urdu 1415 GMT 12 Jan 82]

POLITICAL SITUATION--London, 12 Jan (AAP)--Restrictions have been imposed on the Khalq and Parcham parties throughout the DRA. The offices of both parties have been closed, and membership cards issued to party members have been canceled. Members have been told to obtain new cards issued by the PDPA, which will be the only recognized political party in the DRA. Although no official statement on this matter has been broadcast by Kabul radio or television, officials have been telling members of both parties that the measure has been adopted to end differences between them so they can provide a joint front in resisting the Mujahidin. [Text] [GF160425 Karachi MASHRIQ in Urdu 13 Jan 82 p 1]

CZECHOSLOVAK AMBASSADOR--The DRA Government has accepted the appointment of Dr (Vaslav Koba) as new Czechoslovak ambassador to the DRA. [GF141715 Kabul Radio in Urdu to South Asia 1330 GMT 14 Jan 82 GF]

SHOOTING PRACTICE--The citizens of Kabul are hereby informed that the first phase of preliminary firing of light weapons by officers and troops of the Sarandoy [Soviet-trained militia] Command of Kabul international airport will take place at the Khair-Khana Maina training ground located in the Khaja-Bohra Region tomorrow, 11 January and Tuesday, 12 January, in the morning and afternoon. [Text] [LD101502 Kabul Domestic Service in Dari 1330 GMT 10 Jan 82]

PARTY LEADERS TO MOSCOW--New Delhi, 12 Jan (AFP)--Extremist members of the two warring factions of the ruling People's Democratic Party of Afghanistan (PDPA) might be taken away to the Soviet Union to allow moderate members to patch up their differences and work for the unity of the party, Western diplomatic sources said here today. Quoting reliable sources in the Afghan capital, the diplomats confirmed that the January 2 ceremony for the distribution of new party membership cards in Kabul was the beginning of a process to eliminate "unworthy" members from the party at the municipal, district, provincial and national level. The Moscow-tailored reorganization plan was unveiled by the state-owned Kabul Radio on January 2 when it broadcast the card distribution ceremony. The Soviets have told leading members of the PDPA's Khalq and Parcham factions that they should forget their differences and work for party unity. Interior Minister Sayyed Mohammad Golabzov, a Khalqu, was also told this when he went to Moscow in last November, and reportedly agreed to cooperate, the diplomats said. The diplomats also confirmed that Lt Gen. Abdul Qadir was appointed "caretaker defence minister" early this month and was not definitely replacing General Mohammad Rafii, who has been in the Soviet Union for the last four months ostensibly for "training." The diplomats said that the Soviets probably wanted to keep their options open in case something goes wrong with the new appointment. [Text] [BK121035 Hong Kong AFP in English 1006 GMT 12 Jan 82]

CSO: 4600/183

DEVELOPMENT PLAN FOR 1982 REVIEWED

Algiers EL MOUDJAHID in French 10 Dec 81 pp 1, 3

[Article by Omar Belhouche: "1982 Plan--Better Mastery of the Production Apparatus Required--12-Percent Growth Rate Achievable--the Minister of Plan Draws the Lessons of 1981 and Traces the Broad Outlines for the 3rd Year"]

[Text] --Strengthening the Achievement Capacities

--Investment program totaling 92 billion dinars decided on (up 35 percent over 1981)

--Employment: demand estimated at 150,000, including 30,000 women

--Hydrocarbons: lowest assumption for export receipts

The draft 1982 annual plan was presented to the National Popular Assembly yesterday by Abdelhamid Brahimi, minister of planning and national development. First of all, he presented the evolution of the economic and social situation in 1981. In that regard, he said, the overall equilibriums for that year, as in 1980, were achieved without great tensions, under the combined effect of several more or less favorable phenomena.

(1) There was relative financial comfort in 1981, though it was remarked less than in 1980. Although imports increased at a faster rate than exports, the balance of goods and services showed a surplus on the order of 3 billion dinars.

(2) Gross domestic product not including hydrocarbons increased at a high rate (7 percent), though this rate was lower than the one set by the 5-Year Plan (10 percent).

(3) The high volume of imports in 1980 helped to improve in 1981 the availability of the goods necessary both for consumption and for production.

(4) The rate of investment, though faster than in 1980, remained below the 5-Year Plan's objectives this year also, contributing to an accentuation of the lag behind the social-investment needs.

(5) Although the growth of employment was moderate (close to 6 percent), household consumption increased sharply from 1980 to 1981, in terms of current prices, under the combined effect of the temporary measures on wages and a satisfactory availability of consumer goods and a sharp increase in prices at the retail level, estimated, on the basis of the first 9 months of the year, at 16 percent.

The failure of the structure of distribution of resources as between consumption and investment to conform to what was set at the level of the 5-Year Plan is explained both by the moderate rate of investment and by the inflationary tensions appearing at the consumption level. On the subject of the evolution of domestic resources, Mr Brahimi declared that the general performance of the economy made it possible to expand our internal resources by 18 percent in terms of current values. Nevertheless, they were still below what was expected. Nearly 37 percent of the overall growth of gross domestic product was from material production not including hydrocarbons, 20 percent was from hydrocarbons, and 43 percent was from services (including customs duties and import taxes).

Agricultural Sector: Growth remained low despite favorable climate conditions. It increased by only 3.5 percent in volume.

Industry Not Including Hydrocarbons: It was relatively favorable as between 1980 and 1981 in terms of volume. Growth of production between these two years is estimated at 11.3 percent. Approaching the growth set by the 1981 annual plan (14.9 percent) only this growth is very unequal among the various branches [as published].

The water, electricity and gas sector continues to register high growth rates. Its production increased by nearly 9.2 percent in volume, while the mines and quarries sector increased by about 9 percent. The production of the transformation industries is estimated to be 11.3 percent higher than that of 1980.

Building and Public Works (BTP): In volume, the growth of this sector was only 5 percent--a rate lower than the one set by the 5-Year Plan (10 percent).

Hydrocarbons Sector: For 1981, the production objectives of SONATRACH were: 45 million tons of crude oil, 8 million tons of condensate, 16.7 million m³ of LNG [liquefied natural gas], 1.4 million tons of LPG [liquefied petroleum gas], and 15.5 million tons of motor fuel.

A drop in volume occurred--on the order of 4 percent under 1980.

As regards the general public-investments program, Mr Brahimi reported that the initial year-end estimates show consumption of about DA [Algerian dinars] 67 billion of credits, or 78 percent of the forecasts. The fulfillment rates differ greatly from sector to sector. In financial terms, fulfillment was around 60 percent for agriculture, hydraulics, social infrastructures and training. It was 70 percent for rail infrastructures and housing and about 80 percent for industry, storage-distribution, transport, and the performance enterprises, with the performance limitation constituting the decisive bottleneck restraining implementation of the programs.

In this regard, Mr Brahimi specified that the economic operators are continuing to favor the initiation of new operations instead of making an effort to carry out and complete the outstanding projects. As regards the external financial balances, the DA 60 billion in receipts from exportation of hydrocarbons will not be achieved because of the current international situation in that sector. Nevertheless, fulfillment was around DA 55 billion.

Regarding external debt, what has started is practically a phase of disindebtedness, defined by annual credit mobilization that is lower than repayment of principal. The debt-service ratio has continued to decrease since 1979 (22 percent), 1980 (26 percent) and 1981 (24 percent) [as published].

Employment also showed a downward trend, with the rate of job creation 6 percent under that of 1980. In Mr Brahimi's view, this trend is explained particularly at the public-sector level in the process of organic restructuring, reform and classification of job positions which most of the public enterprises have undertaken and which have tempered their hiring policy, with preference assigned to redeployment of existing staffs.

Presenting the draft 1982 annual plan, he said that it appears decisive for fulfillment of the objectives of the 5-Year Plan. As a line of force, there is the acceleration of the actions that should be supported by in-depth implementation of the economic policy and organizational measures of the 5-Year Plan. Production should grow at a fast rate (10.5 percent, not including hydrocarbons) through better utilization of the existing capacities, improvement of the production-planning process and the setting of coherent objectives at all levels, as well as implementation of financial stimulation and recovery actions at the level of the productive apparatus.

In this regard, Mr Brahimi announced that GDP [Gross Domestic Product] will increase by about 12 percent over 1981. This estimate is made on the basis of the evolution expected by the public operators, who, at the level of their production objectives, seem to have given close attention to the constraints on the production apparatus.

Agricultural Production: A volume-growth target of 5 percent over 1981 has been set for 1982. This forecast will make it possible to stabilize imports of food products somewhat.

Transformation Industries: Expected growth is about 14 percent.

Building and Public Works: The volume-growth rate, set at 12 percent, will have to be a minimum if a favorable revival of investment is to get well under way.

The investment program for this branch reflects a triple concern, said Mr Brahimi:

- to decide on a sectorial distribution of investment that conforms to the orientations and objectives of the 5-Year Plan;

- to strengthen the national performance capacities considerably and provide for distribution of them among the sectors and the regions, with preference to the carrying-out of the sector programs that play a part in implementation of the priority objectives;

- to set a level of investment and participation of the external fulfillment capacities that are compatible with getting our external financial balances under control. An investment program of 92 billion dinars has been decided on--an increase of nearly 35 percent over 1981.

With regard to the financial balances, the evolution of the international hydrocarbons during 1982 and the trade negotiations in progress on gas make fiscal fore-

casting difficult. The lowest assumption in the matter of receipts from exportation of hydrocarbons was favored. In such case, and with the imports of goods and services taken into account, the balance of goods and services becomes negative again.

As regards employment, a new job demand in 1982 is estimated at 150,000 persons, including 30,000 women. The recruitment forecasts for the public nonagricultural sectors are for new-job creation of around 126,000--a growth rate of 7.7 percent over 1981.

After this presentation, the rapporteur of the Plan and Finance Committee presented the introductory report to the report on the 1982 annual plan. This report states that the draft plan, while continuing to reinforce the achievements of the first 2 years, aims at correcting the divergences noted, catching up on certain lags, and consequently reestablishing the basic proportions of the 5-Year Plan.

After this reading, the APN [National Popular Assembly] examined the draft operating budget, with Messrs Benhamouda, Yala and Baki in attendance.

11267

CSO: 4519/69

FINANCE LAW OUTLINED, DISCUSSED

Algiers EL MOUDJAHID in French 9 Dec 81 pp 1, 3

[Article by M. Zalani: "The New Trends in the 1982 Finance Law--'Economic Truth' Applied to All the Public Enterprises"]

[Text] --Reliance on oil taxation decreases: 25 percent as against 33 percent in 1981;

--Improvement in results of state enterprises expected;

--Balance of payments brought into equilibrium;

--Recourse to international financial credits eliminated;

--Foreign-debt load decreased.

The draft Finance Law for 1982 was examined yesterday by the National Popular Assembly meeting under the chairmanship of Rabah Bitat, member of the Political Bureau and chairman of the National Popular Assembly, with M. Yala, member of the Political Bureau and minister of finance, in attendance.

In his presentation of the draft Finance Law, the minister of finance stressed the importance of it, inasmuch as it comprises the third section of the 5-Year Plan, 1982 being a pivotal year that should give a real idea of the possibilities for achievement of the Plan's objectives.

The minister brought out in particular the part played by hydrocarbons in covering the state's running expenses. That part will be only 25 percent for 1982, whereas it was 30 and 33 percent, respectively, in 1980 and 1981.

As regards the expenditure categories, the minister placed emphasis on the increase in the volume of credits allocated to the education sector (especially as regards school cafeterias and development boarding schools in the disadvantaged regions), as well as protection of the buying power of the workers (especially for staple products), and finally, the incomes of beneficiaries, which must reach the level of the national guaranteed minimum wage (SNMG).

Speaking of the national enterprises' participation in the state budget, the minister of finance declared that the restructuring of the enterprises should enable the state to make use of the resources of the enterprises which, in view of their management, have so far participated only symbolically in the state budget. "Economic truth," the minister stressed, should put an end to this state of affairs (in particular, certain expenditures by the enterprises should not be made).

In order to make sure that the management cadres and the worker staffs understand their responsibilities, the minister of finance declared that the enterprise's production plan should be subjected to a detailed study, so that each enterprise can be called to account on the basis of fulfillment or nonfulfillment of the production plan. Sanctions can then be introduced.

Going into the monetary area, the minister stressed that the increase in liquid assets within the national economy exceeds the rate of growth of the gross national product (which is 7 percent), which explains the inflationary tensions.

On the subject of the foreign-trade chapter, the minister of finance declared that the balance of payments will be brought into equilibrium "despite the deterioration in the services balance." Equilibrium is favored by the surplus resulting from the trade balance, "the corrective measures applied in 1979 and 1980 having made it possible to improve the situation of our balance of payments, enabling us to cease in 1980 our recourse to international financial credits while at the same time lightening the foreign-debt load. This has helped to increase Algeria's credibility and audience on the international level."

The expenditures for the functioning of the state's services will come to DA 42,238,249,000, for an increase of DA 6,042,999,000, or 16.7 percent, over the estimates for fiscal 1981. The increases in 1980 and 1981 were, respectively, DA 7.154 billion (34.7 percent) and DA 8.419 billion (30.3 percent).

The increase of DA 6.043 billion involves mainly three kinds of expenditures--those for personnel (up DA 2.8939), for social action (up DA 1.4343 billion) and for the public debt (up DA 610 million)--and results from the traditional actions as well as from the new measures that are intended to broaden in scope in the course of the coming years. Thus, education-training is taking more than DA 12 billion, or nearly 29 percent of the credits proposed for 1982 (rise in daily food cost, strengthening of technical education, and development of the basic school together with its support, the National Pedagogical Institute).

For scientific research, whose budget goes up from DA 107 million to 115 million, it is planned to open some new centers--notably:

- the center for research on new energy sources;
- the center for research on regional development.

In the social area, free medicine will take DA 3.713 billion (as against DA 520 million in 1973).

The social-action credits included in the joint-charges budget go up to DA 4.524 billion, consisting principally of:

- price support, for a total of DA 3.860 billion;
- renewal of a provisional credit of DA 500 million entered to the benefit of the disaster-hit populations of the Shlef.

Price support increases by DA 1.535 billion over 1981 (the total credit going from DA 2.325 billion to DA 3.860 billion). This support applies to the same products as those supported in 1981--that is, raw light oils and oleaginous grains, semolina and flour, as well as sugar.

As regards the other interventions, they involve apprenticeship, culture and youth, and furnish temporary support to the measures to restructure the state agricultural lands.

Thus it is planned to take on 40,000 apprentices for the first time in 1982, with the total cost of the operation estimated at DA 93 million.

The operating expenses set out above are covered by tax resources that also cover the public equipment expenditures. On this level, the state's estimated receipts are set at DA 85 billion for fiscal 1982--an increase of DA 13.195, or 18.3 per cent, over 1981.

Safeguarding Investment Capacity

Following the minister of finance's address, the rapporteur of the Finance and Plan Committee of the National Popular Assembly presented the report on the draft finance and operating-budget law for 1982. After pointing out that the present budgetary work is all the more important in that it comes at the end of the first legislature (which has already been asked to pass four finance laws), the committee's rapporteur stressed that this work "constitutes a propitious moment for doing some overall thinking on the evolution of the budget and the significant actions that subtend it."

This thinking, he specified, quite naturally falls within the precise and organized framework of the implementation of the 5-Year Plan, which, we should recall, is aimed at reduction of the economic constraints that still perturb the dynamics of development and at improvement of the level of satisfaction of the social needs.

One should note, in this statement, the stress placed on the present recourse to oil revenues for covering the operating expenses. Thus, for the Plan and Finance Committee "the desire to safeguard our investment capacity implies the necessity of gradually decreasing the share of oil tax revenue in the coverage of operating expenses. This approach follows from the desire to derive, through the credits allocated, the maximum benefit from the existing human and material capacities. Such an evolution is not only of such a nature as to consolidate the fundamental social achievements but also responds to the economic-revival objective set by the 5-Year Plan and aimed at reestablishment of the broad balances and at rectification of the distortions that affect economic growth."

After emphasizing the responsibility--practically nonexistent today--of the national enterprises in participation in the state budget, the rapporteur declared that "the socialist enterprise, freed of the rigidities and constraints with which it is confronted, will have to reach higher levels of production and productivity that will guarantee a satisfactory financial equilibrium and will make it capable of fulfilling all of its obligations, notably its tax obligations.

"In the agricultural sector (which benefits from tax exemption), should taxation take a more active form, so as to fight the middlemen who enrich themselves to the detriment of the producers and the consumers by speculating on such sensitive or priority [as published]?"

Tax Fraud

Taking up the problem of tax fraud, the rapporteur considered that adaptation of taxation to the evolution of the fiscal milieu should be perceived as a permanent operation aimed at preventing all the attempts that might divert the tax law from its objective.

By way of illustration, the example was given of the statistical tax called "Rasm El-Ihsaya," which originally was a response to the legislators' legitimate concern to exempt those with small incomes (artisans, merchants, etc) and which today has become a refuge for many speculators. In this area, an analysis of the situation of the various categories of taxpayers benefiting from that regime should be carried out. A distinction should be made between the small merchants and providers of services and those who, by false declarations and failure to conform to the profit margins, have incomes that would normally be subject to a different regime as regards their true tax-liability situation.

The rapporteur, noting the rapid increase in the credits allocated to price support, declared that "of course, this trend results from the often-reasserted desire to protect the broadest segments of the low-income population from the fluctuations in the prices of these products, and therefore to protect their buying power. While at the same time stressing the necessity of such action, it is not useless, however, to wonder about its evolution and certain effects that it engenders. Can such a rate of increase be maintained in the future, in view of both the population growth, the general standard of living and the resources of the state? Isn't there a risk, as regards the evolution of the budget resources (up 18.37 percent in 1982 over 1981), of eventually making more problematic the choice of the measures in favor of certain sectors that are so sensitive or of such high priority?"

Making the Enterprise Responsible

After the reading of the Plan and Finance Committee report, general debate was opened, marked by several very critical statements regarding the present tax situation. Thus, the first deputy to speak laid emphasis on the real danger in counting on a resource that is being exhausted--that is, oil, used as a "safety valve" for all the deficiencies in the national economy. "A factitious, artificial economy is the root cause of this welfare-recipient mentality," he declared. Recourse to oil receipt means assuring the continuity of a certain incompetence in management, and it also means encouraging contempt for productive effort. Speaking of the industrial and agricultural sectors, the deputy considered that "these sectors have not been made responsible and will not feel responsible for so long as the state continues to turn toward oil. The bureaucracy is making the nation lose billions of dinars every year, without the beginning of a solution to this problem in sight."

The second deputy to speak put the accent on the "enterprises that receive veritable financial gifts that are supposed to be for their restructuring but actually cover the inertia and incompetence in management. The state's expenditures should have positive results, and so far it has not been seen what the flood of subsidies granted to the enterprises will have been good for." Furthermore, the wastage constituted by the massive importation of automobiles was pointed out--all the more so in that these imports encourage an already flagrant "social differentiation."

In a statement, he pointed out that the operating budget is still covered by the oil receipts today. The question was posed "whether the national economy without the hydrocarbons is still capable of providing for coverage of its own operating expenses." On the subject of the recommendations by the APN [Nacional Popular Assembly], the deputy said that "it is not necessary to make recommendations if application of them must remain a dead letter."

11267

CSO: 4519/69

ALGERIA

BRIEFS

OIL STORAGE PROJECT--Algiers, December 30--A team of Algerian advisors will visit Mali in January to examine the viability of Algerian aid for the construction of oil storage tanks in the Gao and Tombouctou regions. The decision was made following a visit here by a Malian delegation headed by new state oil company, Petrostock, Director Mahamane Alassane Toure. The delegation held talks with Sonatrach (Algerian state oil company) General Manager A. Khellaf and Kazi Tani, General Manager of Algeria's national company for oil refinery and distribution. Sources here said Mr Alassane Toure stressed that Mali had decided to set up Petrostock to secure a reliable supply of oil for the country. This had been a problem in the past, the Malians said. (A.F.P.) [Text] [Paris AFRICA AFP in English No 2859, 31 Dec 81 p 5]

CSO: 4500/88

FUNCTIONS OF INTERIOR MINISTRY DESCRIBED

Manama GULF MIRROR in English 24-30 Dec 81 p 7

[Text]

THE vital role of the Ministry of Interior's security network has never been highlighted more than in recent weeks as Bahrain's security was threatened by a coup.

Immigration, traffic, coastguard, police and fire brigade all come under the wing of the ministry. In a wide-ranging report Gulf Mirror takes a look at the role of the ministry — its development, functions and future.

THE safety of a nation is not just guaranteed by numerous armed men patrolling the streets.

Safety and security come from efficient immigration and passport scrutiny, well-trained and equipped coastguard and air wings, swift fire brigades and responsible traffic directorates.

All these facets of the day-to-day life of a country comprise the essential elements governing its future and safety.

They ensure orderly lives for the public but can also swing into action should national security be in jeopardy.

Such matters come under the Ministry of Interior and the Minister, Shaikh Mohammed bin Khalifa Al Khalifa, is continually modernising police and public security to keep pace with similar bodies in developed countries.

Modern

"The officials of the public security began to develop their networks after the declaration of independence in accordance with instructions from the Amir, Shaikh Isa bin Sulman Al Khalifa and the Prime Minister, Shaikh Khalifa bin Sulman Al Khalifa," says a ministry spokesman.

The emergency police are now equipped with 20 modern Range Rovers and eight patrols cover the island around the clock.

In 1980, the emergency police received 2,669 calls, of which 580 were cases of traffic accidents, 379 involved drunkenness, 678 were fires, 34 suicide attempts, 39 robberies, 67 assaults and 10 attempted robberies and 178 sudden deaths.

Then there is the air wing, often seen as one of the more exciting aspects of police

work.

"The police air wing, since its formation in 1965, has become an essential part of rescue operations carried out by the public security," says the spokesman.

Graduated

"During the period since its formation, officers of the air wing have flown 4,777 hours."

Bahrainisation came to the air wing in 1971 when the first Bahraini pilots joined the force, having graduated in Kuwait.

The first police school was formed in 1937.

"The school was first established inside the fort and could probably be considered the base for today's training directorate. This school was responsible for training new policemen and officers," says the spokesman.

In 1939 six young Bahrainis joined the Ministry of Interior as the first working group of officers, having graduated from the humble, home-grown school.

"Most of the police schools that have followed appeared

through the training of these young Bahraini officers.

"The school was developed and became successfully responsible for the training of officers and other ranks military techniques, use of weapons, horse riding and swimming."

The second group of Bahrainis signed on for officer training in 1955. After the graduation of this group of 22 men, they were assigned to training the increasing number of newcomers.

The appointment of Shaikh Mohammed bin Khalifa Al Khalifa as Minister of Interior heralded a new era for the development of police networks generally, but especially the training directorate.

"Shaikh Mohammed gave special attention to the training directorate because he considers it the factory which provides other directorates and divisions of the Public Security with the men trained and qualified to the extent which justifies the needs of security," says the ministry.

Anyone cannot just walk in and join the police. Applicants go through stringent tests before being taken on.

One of the most vital fields governed by the ministry is the Directorate of Immigration and Passports, who get results by the softly, softly approach.

"No-one disagrees that the Directorate of Immigration and Passports achieve a lot by working quietly and silently," says the spokesman.

This directorate is on a par with other similar organisations throughout the world, says the ministry.

The first Immigration and Passport Directorate was started in 1928 and its activities were limited to monitoring those arriving and leaving Bahrain by sea.

The old police division at Bab-Al-Bahrain was the original headquarters of the Directorate of Immigration

and the most they had were four employees.

Eventually, the government issued Bahraini passports valid for two years renewable four times. Issuing fees were seven rupees and fees for renewal were five rupees.

In 1939 the directorate started preparing statistics of entry and departure to Bahrain and the following year the government began to review applications submitted by foreigners resident in Bahrain requesting Bahraini nationality.

In 1958 the Ministry of Interior became responsible for the Directorate of Immigration and Passports. It was also modernised.

In that decade a number of laws, orders and schedules came into being.

Then in 1961 the directorate became responsible for issuing no objection certificates and entry visas for foreigners. The next year immigration and passports offices were opened in Mina Sulman and Sitra port.

The Law of Bahrain nationality was issued in 1963, after two years the law of Foreigners "Immigration and Residence" was issued and in the same year the directorate started issuing resident permits for foreigners.

In 1966, Shaikh Mohammed, current Minister of Interior, became Director of Immigration & Passports. During this period the directorate became responsible for all immigration affairs in Bahrain. Then the system of transit visas for 72 hours was introduced.

The coastguard, which safeguards the island's waterways, is another area administered by the Interior Ministry.

"1980 was a remarkable year for the coast guard when HH the Amir opened one of the modern coast guard bases in Muharraq," said the spokesman. "This base is considered among the most organised and well equipped in the world".

Last year, 245 people were rescued at sea, together with eight dhows and 56 vessels.

Eight foreigners were arrested trying to enter the

country illegally and the coast guard also investigated 79 criminal cases.

The responsibility for the fire brigades was taken over by the Ministry of Interior in 1977 when it was in the hands of the central municipal council.

Bahrain is now covered by six fire fighting centres built on international standards. The seventh centre will be commissioned next year.

Re-organised

"No doubt the civilisation and security conditions, as well as the manners of the people, could be judged by the way its traffic is organised," says the ministry.

"Bahrain in this field could be judged by its outstanding achievements since 1920 when the first traffic regulations were issued within the police regulations."

In 1939, the first traffic law was issued and the Directorate of Police assumed all traffic responsibilities, although the number of vehicles was only 390 until 1942.

A new traffic ordinance was issued in the early 50s and the Directorate of Traffic was re-organised. The period from 1961 to 1977 witnessed the most active development of traffic systems, including the flow of traffic being changed from left to right.

There have been many changes in the Traffic Directorate and life on the roads in Bahrain generally, but the ministry says: "Maybe the foremost step in all these achievements was the forming of the Traffic Council by Amiri Decree in 1976 to draft the High Policy of Traffic."

But the Ministry of Interior is not resting on its laurels. Plans have been drawn up to modernise its buildings, departments and equipment even more.

New buildings are under construction, including the new fire station in Budaiya Road and a juvenile detention centre is on the drawing board for Isa Town.

SEVEN BILLION DOLLAR SPENDING PROGRAM PLANNED

Manama GULF MIRROR in English 24-30 Dec 81 p 17

[Article by Catherine Wallis]

[Text]

BAHRAIN is set for "the biggest and most exacting challenge yet" as it launches a \$7 billion spending programme starting in the new year.

At a Bahrain Bankers Society dinner held this week in honour of Minister of Finance Ibrahim Abdul Karim and the governor of the Bahrain Monetary Agency, Abdulla Saif, Mr Karim itemised \$3 billion of capital expenditure (spending on projects) which will complete Bahrain's infrastructure and "create the conditions for a diversified non-oil economy."

Spending on power generation and water desalination top the list, with airport expansion, improvement of drainage and sewerage and building of schools and hospitals high in priority.

Extravagance

"Spending money is not difficult," Mr Karim said. "Ensuring that we get good value for our expenditure and that the impact of spending does not overstretch the economy is an exacting task."

He said the first place to look for extravagance and

waste is in "one's own household." Earlier in the year, he noted that about 23,000 Bahrainis were employed in government — amounting to about 1 in 10 of the national population.

Ministries were about 50 per cent over the target when preliminary returns were submitted for recurrent expenditure and ministers turned a critical eye to trimming costs and increasing efficiency.

Success

Mr Karim said that if Bahrain were to afford this four-year spending programme, it would require growth in invisible earnings, particularly from the banking and insurance market.

He said real growth for 1981 had been four to five per cent, with little increase in inflation. "We have, of course, been assisted in keeping inflation down by the strength of the dollar. However, the strength of dollar and the high interest rates associated with it have increased our problems in managing domestic liquidity and interest rates.

"The achievements of your banks in building a bridge between the local and international markets is well recognised," he added. He wished the bankers success and offered "all possible help" in developing business and increasing services.

The breakdown of spending is as follows:

- \$600 million for power generation, aiming at doubling power now available for domestic consumption from 487 to 917 megawatts.
- \$340 million for water desalination to increase present production from five million to 45 million gallons a day.
- \$165 million to improve drainage and sewerage treatment systems. 350 kilometres of drains and sewers and 10,000 individual connections to houses is proposed.
- \$165 million will be for 22 new schools and 214 additional classrooms. Of this sum, \$55 million will be spent on upgrading teachers.
- \$105 million for Bahrain International Airport's

expansion programme, including laying of a new runway and construction of a new terminal building.

- \$95 million on health facilities, including phase II of the Salmaniya Medical Centre, plus new medical centres around the island.

- \$90 million on agriculture and fisheries and promotion of poultry, dairy and other agricultural production.

- \$90 million on recreational facilities, such as a new national museum and a theatre.

- \$75 million on housing loans and completion of 1,600 housing units currently under construction. Funds committed outside the budget to build 7,260 new houses and flats will bring the total expenditure to \$460 million.

- \$50 million for development of industrial area.

- \$32 million to construct two additional container berths at Mina Sulman.

CSO: 4400/109

BRIEFS

VISITORS RECEIVED MILITARY TRAINING--Jidda, 11 Jan (QNA)--In a report from Bahrain today, al-Sharq al-Awsat, which is published here, says that the sabotage network uncovered recently in Manama used to recruit Bahraini citizens who visited Tehran to perform religious rites. The paper says that groups belonging to this network used to train these visitors on the use of arms in a camp between Esfahan and Tehran under the supervision of Iranian army experts. Al-Sharq al-Awsat disclosed that the sabotage network used a six-floor building in central Tehran as its main headquarters for organizing its internal communications and coordinating action with its groups. [Text] [GF111255 Doha QNA in Arabic 1041 GMT 11 Jan 82]

CSO: 4404/212

PRESIDENT STRESSES NEED FOR MUSLIM UNITY

LD141238 Tehran Domestic Service in Persian 1030 GMT 14 Jan 82

[Excerpts] According to the Central News Unit, on the auspicious occasion of the birth anniversary of the great prophet of Islam, on the last day of unity week, special ceremonies were held in the presence of President Khamene'i at the Foreign Ministry of the Islamic Republic of Iran. During the ceremonies, attended by the foreign minister of Iran, ambassadors, charge d'affaires and diplomatic envoys of Islamic countries accredited in Tehran, verses were read from the Koran. Then Foreign Minister Velayati congratulated the heads of Islamic diplomatic missions and referred to the blessings of the prophet of Islam, which has prepared favorable grounds for the salvation of mankind from darkness.

Then President Khamene'i expressed his contratulations for the birth anniversary of the greatest prophet and gave a special speech on the need for unity among the Muslims of the world. First, referring to the various plots by world imperialism and global Zionism for creating a rift between the Muslims, he said:

Their (?general) aim is to exert pressure on the Muslims and to create a gap between Muslim governments and nations. We bitterly regret that they have to a great extent succeeded in this.

In another part of his speech, regarding direct and indirect plots by the super-powers against the Islamic revolution of Iran, Mr Khamene'i said: The real and main reason for this grudge and enmity should be sought in the direction of our revolution, which is reflected in the clear policy of the Islamic Republic of Iran. This policy relies on principles which can be summarized as follows:

1. Belief in the sovereignty of God and acceptance of Islamic Shari'a, as the basis of and the key to the laws of the country.
2. Lack of reliance on the East and the West, which has been summarized in the slogan: Neither Eastern, nor Western.
3. Attaching importance to unity among the world Muslims and to make the utmost effort toward creating and preserving unity.

4. To make a serious effort toward regaining the rights of the world Muslims from the plundering powers of the world, and to fight against any action or movement which might be aimed at giving or increasing the sovereignty of the superpowers in the region.
5. To make a serious effort on the problem of Jerusalem and the other occupied Palestinian lands, and preparedness for an all-round fight against the Zionist enemy.
6. To return to the rich and noble Islamic and Koranic culture, which is an obstacle in the path of the enemies and a thorn is the side of the plunderers--namely the Arabic language, which we consider as the international Islamic language; also we believe in making its teaching in schools compulsory, as laid down by the constitution.

These are, (?in fact) the most important political points which have made the enemy sensitive to and angry with us, and has mobilized all its force against us. We should stress here, that these principles are, in fact, also the backbone of our strength and resistance; that is why we have so far not yielded to pressure, and shall never do so.

Regarding the various and extensive propaganda activities by the imperialists against the Islamic Revolution of Iran and the spreading of various rumors in order to discredit the Islamic Republic of Iran, the president gave some explanations. He said: We have never thought that the (?ideology) of our revolution and the modus operandi of the Islamic Republic should be imposed on others by force. We have never entertained thoughts of aggression of transgression against any country, and until we saw the bold enemy inside our country--on our Western border--we did not direct our blows at him. [sentence as heard] We have never deemed it necessary to reply to the mischievous propaganda of our enemies--who accused us of interfering in other people's affairs--by any means other than dignified and calm behavior. Of course, we have never expected anything but such propaganda from the divisive and conspiratorial enemy.

Continuing his speech, and addressing the envoys of other world countries who were present in the session, Mr Khamene'i said: As a trustee and confident of this great nation, I declare to you--and through you--to all the world Muslims and all the deprived and oppressed nations of the world and all the governments who wish to learn the truth, that our enemies are frightened of Muslim unity, and with false propaganda they intend to separate us, so that no harm can come to their sovereignty and avarice. [sentence as heard]

CSO: 4640/121

FOREIGN MINISTER EXPRESSES VIEWS ON SIGNIFICANT ISSUES

Tehran TEHRAN TIMES in English 31 Dec 81 pp 1, 3

[Text] TEHRAN - Due to eruption of turmoil and emergence of intensely critical political situation in the region and different countries including Iran we chose to have a private meeting with Islamic Republic's foreign minister.

The intention: To raise all the pertinent issues with full clarity and total frankness in order to seek covering clarifications for a two-fold purpose, i.e., to remove few of our doubts as well as to remove the doubts and/or misunderstandings entertained by our Moslem brothers throughout the world: Editor-in-chief.

Our conversation with the foreign minister:

Chief Editor: It seems Iranian authorities encountered problems and/or were entangled with softness in practical application of the nation's "Neither East nor West" slogan.

If you are not in agreement with this viewpoint, how would you justify Iran establishing warm and close relationship with all the countries dependent on the Soviet Union, recognizing leaders of countries who are not really Islamic in nature and their slogan of Death to America is simply a politicized affair under the framework of political issues etc.

Minister: Like which countries?

Chief Editor: Countries like Syria and Libya and....

Minister: Firstly, I am responsible for the stands of the foreign affairs ministry from the period of my own supervision and I am not responsible for what is going on in some other place.

Our policy in the foreign ministry was exactly based on this very foundation of "Neither East nor West."

If you pay attention to the speeches I have made and/or the statement issued by the foreign ministry in connection with Poland and Afghanistan issues, you will observe that the aggressive policies of the Soviet Union against other countries were definitely not acceptable to us and we have condemned such policies.

We have the "Neither East nor West" stand within our sight but we have also not forgotten what the Imam has said: "America is the Big Devil."

So, it is apparent that we place priority on the slogans we raise against America since it is the Big Devil. Moreover, our main confrontation, and that of Islamic countries like us, is directed against America.

But as to your question regarding the leaders of countries like Syria being affiliated to the Soviet Union, we do not accept this. There is nothing of that sort.

Syria has shown that it has a firm stand in her anti-Zionist and anti-imperialist policy and has also been uncompromising so far. In our opinion, this is a praiseworthy stand.

We classify countries into three categories: Enemy, Impartial and friendly. We consider Syria and Libya as countries friendly toward us, i.e. these countries have repeatedly supported the Islamic Republic in words and deeds.

We do not claim to confront a country or a government which takes a friendly stand and sympathizes with us and does not stop befriending us despite all exerted pressures.

And we also do not regard the characteristics of these regimes being the characteristics of Communism thereby making them dependent on the Soviet Union.

If, in special circumstances we want to name countries who are closest to us, then we shall say Syria and Libya are closest to us.

Chief editor: The latest news item last night was that the spokesman for Mr. Hafez Assad announced that he agreed to the earliest convening of Fez conference with the participation of all leaders of the countries including Syria.

Don't you think Assad has reached an agreement with Saudi leaders on the issue of Palestine and Israel? How would you interpret this change of policy and/or this new stand?

Minister: For the Arab leaders to hold a conference in Fez is not abhorrent in itself. It is abhorrent when the Fahd plan is taken up and concessions are allowed to Israel, or Israel's occupation of Palestine

is virtually recognized.

For the Arab countries to get together is not bad by itself. But as to what the agenda should be of such a meeting is another matter.

Was there any talk about having the same 8-point plan as the agenda of the meeting?

Chief Editor: No. There was no such talk.

Minister: It is natural that our policy, given that all the Arab countries accept this 8-point plan, is the same as announced by the Imam. But we consider it remote that the radical and progressive Arab countries accept this 8-point plan.

Chief Editor: Now that the defeat of Saddam has become a definite thing, imperialism has now hatched a very shrewd and calculated maneuver.

It would seem that Hafez Assad is to act as a mediator between Iran and Iraq and to propose termination of war with evacuation of Saddam's forces from Iranian soil and also for Hafez Assad to guarantee evacuation of Saddam's forces.

Presuming that such plan is proposed then, firstly, what is the stand of Islamic Republic government?

Secondly, if Iran agreed to such proposition, it has backed away from its principle policy.

And, if Iran refused Hafez Assad's proposition, the relations between the Iranian and Syrian governments will deteriorate, possibly making Iran lose one of its strong supporters.

Either way, imperialism has succeeded in its conspiracy. Now, what method will you adopt to head off any blow whatsoever?

Minister: First of all, reliance of the Iranian nation and Islamic Republic is upon Allah and Iran shall never compromise or sacrifice its principle policies.

Secondly, if someone especially one who is regarded by us as an authentic personality such as Hafez Assad wants to act as a mediator, we shall not reject him.

But, since the beginning, we had basic terms and conditions and we have announced them and we shall not go back

even a step from those conditions and principles of ours.

We had set three conditions:

1- Unconditional withdrawal of Saddam's forces from the occupied territories.

2- Determination of aggressor and invader by an international court acceptable to both parties.

3- Payment by the invading country of the losses incurred on the country invaded after the invading country is named. (And we are certain that any impartial international court will recognize Saddam as the invader).

Blessed be anyone, such as Hafez Assad, or someone else who we regard as arriving with a sense of justice and goodwill, but our conditions are the same as announced since the eruption of war.

And we shall not change our course and stretch our conditions, even one single step.

Chief Editor: Do you think that the journey of Hafez Assad to the Persian Gulf countries, his efforts to resume the Fez Conference and his mediation between Iran and Iraq is basically intended to weaken the support of Arab Steadfastness Front for Islamic Republic and to establish a bond between the Arab Resistance Front and the Gulf Cooperation Council?

Minister: We believe Assad, with his travel, rather wanted to defuse to some extent the efforts directed towards driving Syria into isolation.

Had Hafez Assad wanted to compromise, he would not have resisted so much against the 8-point Fahd formula until the last moment.

We do know that the Imam had started the movement against Fahd Plan but let us be fair and say that after the Imam it was the Arab Steadfastness Front countries headed by Syria that defeated the conference.

Chief Editor: But has not Hafez Assad sent his representative?

Minister: He sent his representative there to cause the conference to collapse. The conference ran for some hours and later it was said to have been dissolved.

Before the conference was dissolved, perhaps some people were thinking as you are thinking: Oh, well, now this Steadfastness Front has also compromised with them.

Had they (Steadfastness Front) wanted to do something of that sort they would have done it a long time ago. In my opinion, they have passed the test and proved their mettle.

Chief Editor: How would you consider the strengthening of Pakistan's military buildup by the United States? Do you see any relationship between this military buildup and the buildup of the armies of Saudi Arabia, Iraq and other Persian Gulf countries?

Minister: Any country, any government is responsible for its own actions. The Pakistani government wants to purchase modern military weapons from the United States. It only thinks in terms of relationships that it already has

Well, India also wanted to buy Mirages from France. It has now gone further and desires MiGs from the Soviet Union as well.

We also, as far as we can, and as far as it does not hurt our independence and "Neither East nor West" policy can strengthen our military, and likewise, so can any other country.

That is why I do not see a very close relationship or connection between the military buildup in Pakistan and Saudi Arabia.

Chief Editor: Saudis have openly invited all Arab countries to join Saddam's war against Iran's Islamic Revolution and this is a declaration of war on Iran.

This invitation is being extended simultaneously with the approach of Iranian forces to the border and seems the plan is as follows:

Just as the Iranian forces reach the border, the American-backed countries in the region - which have recently signed a "security pact" against the Islamic Republic of Iran - will openly proceed to deploy their forces and station military installations in Iraq since Saddam's downfall will lead to the downfall of these leaders

as well.

How far do you think this opinion is feasible and practical and in case of such an incident actually taking place, how would you analyze the future?

Minister: We believe that these efforts are typical of Saddam's supporters and America being on the center of the stage has felt that Saddam is close to state of collapse and near downfall.

As you have pointed out, all the moves now are also due to the fact that regional countries wish to prevent Saddam's downfall and in case Saddam was toppled, to set up a regime similar to that of Saddam's and American in nature in Iraq, and at the same time place an obstacle in the path of Iran in order not to let Iran realize its just policies.

But we think that the countries who have presently announced that they are assisting Saddam, were also supporting Saddam before, without announcing that they were assisting him. In practice, it makes no difference.

And we know that these countries have assisted Saddam with \$20 billions so far. They have also supplied Saddam with all kinds of military hardware, ammunitions and personnel they could supply.

Despite all these measures, Saddam is still near a state of downfall and we regard it as a remote possibility that all the assistance will be able to bring about any change in the battlefields of the war. The destiny of the war on the contrary is moving in a direction of victory for Iran and defeat for the Iraqi regime.

MINISTER OF INDUSTRIES REPORTS ON INDUSTRIAL POLICY

LD102130 Tehran IRNA in English 1822 GMT 10 Jan 82

[Text] Tehran, 10 Jan (IRNA)--The government will increase investment in heavy industrial projects through allocating more funds than what has been anticipated in their budget if there is the slightest feeling that such projects are capable of repaying their investment, said Minister of Industries Mostafa Hashemi today. He added that the essential condition for reaching industrial independence was the founding by the government of basic mother industries. Speaking in an interview with IRNA in Tehran, the minister further added that priorities had been given in the country's industrial programmes, to the expansion and growth of agriculture, the exploitation of basic metal mines, and the improvement of the chemical industries. Mr Hashemi said that increasing industrial sufficiency had a direct connection with political factors and substructural possibilities. In other words, said the minister, the atmosphere dominating the factories and production units must be uniform and free of disorder, which objective has been fulfilled thanks to the strong Islamic might of the workers.

He said that due to industrial dependency, the imposed war as well as port problems and foreign exchange restrictions, Iran's industrial capacity has been restricted. Pointing to the 6.2 percent decrease in industrial production during the Iranian year 1359 (March 21st, 1980, to March 21st, 1981), the minister of industries said that the said figure proved that the destructive consequences of the Iraqi imposed war were insignificant in our country and that despite sabotage in substructural elements, statistics proved the ever-increasing efforts of the workers in the production units. The minister said that in the past Iran imported 95 percent of its raw materials from the Western bloc, including 20 percent from the United States and a similar percent from the Federal Republic of Germany. But now added Mr Hashemi, we have changed the policy so that some of the needed materials are being produced inside the country and the rest are imported from the countries independent from the Western bloc.

CSO: 4600/183

GOVERNMENT AFFILIATION WITH FOREIGN NATIONS DISCUSSED

NC131338 (Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 12 Jan 82

[Excerpts] Compatriots: About 2 years ago, in February 1980, when the students following the imam's line published documents stating that the Islamic Republic's provisional government had secret dealings with the Americans, engineer Bazargan said in a radio and television interview that "both before and after the revolution we had contacts with the Americans. In late January 1979, a confidential meeting was held with the participation of one of the clergymen of the Revolution Council--undoubtedly referring to the late Beheshti--myself, and the U.S. ambassador. The subject of holding a referendum on changing the constitutional monarchy to an Islamic Republic was discussed. Parallel with the contact with the U.S. ambassador, I had established contact, through one of the Farsi-speaking employees of the commercial section, with the Soviet ambassador. I had received a positive reply from the Soviet Government on 3 February on the recognition of an Islamic Republic. Also, one of the ambassadors of a West European country--definitely referring to Britain--came to visit me 1 month before the imam's arrival in Iran and promised cooperation. Therefore, talks and preparations had been going on for a number of weeks between members of the Revolutionary Council and others. In addition, more private contacts, both direct and indirect, with the government, the general staff, Savak, and the embassies, were made during this sensitive and destiny-making phase of our revolution so it could be carried out successfully and without losses."

Engineer Bazargan again discussed this topic in an editorial on 26 February 1980. He (?particularly) pointed out that the U.S. administration's relations with the revolution and the provisional government of the Islamic revolution and the Islamic Republic of Iran did not start with the inception of the provisional government. According to information and numerous documents, various contacts between members of the Revolution Council in Iran and U.S. officials took place and talks were in progress months before the final victory of the revolution. In addition to contacts and talks with U.S. officials, contacts and talks were also carried out with heads of the army as well as Bakhtiar.

Finally, in the same newspaper, Bazargan revealed that he asked the U.S. ambassador and General Huyser to keep the army silent about Khomeyni coming to Tehran, a request that was accepted. General Huyser pointed out to the army that if they do not obey they would have to face the U.S. administration.

All these confessions by Bazargan on the role of the Americans in Khomeyni's sedition, the return of Khomeyni, and reference to the so-called public votes for Khomeyni's Islamic Republic actually stress what Anwar al-Sadat wrote in his memoirs about the incidents that led to the shah's departure from Iran. Al-Sadat wrote in his memoirs--recently published by the NEW YORK TIMES and LE POINT magazine of France--that the shah was extremely unhappy about having to leave the country at such an extremely sensitive moment. He said: "I had no alternative, because the Americans had applied strong pressure, threatening me and insisting that I should leave Iran as soon as possible." The shah said: During the last days when the U.S. ambassador had come to see me, he did not take his eyes off his watch for a moment. Finally, he spoke and said that "every moment you delay in your decision will be detrimental to you and to your country." On that day the shah could not reveal this reality to a people who had been caught in the web of Khomeyni's plot. The U.S. ambassador--with the machinations and plottings of Khomeyni and his associates--was telling the shah that "you have to leave Iran as soon as possible and understand that this will be to the benefit of everyone." Al-Sadat wrote that the reason for this behavior by the Americans was that in Guadeloupe, the four heads of state of the United States, Britain, France and the FRG had decided to end their support and apply pressure on the shah, something that would (?naturally) open the way for Khomeyni's return and the victory of his sedition, which would replace the monarchy with his self-styled Islamic Republic.

We [the Iranians] will tolerate neither the United States, the Soviet Union nor Britain. We, the lovers of Iran, want an independent and free Iran and will rub the muzzles of the servants of the United States in Tehran in black dirt. We do not tolerate despotism and dictatorship. We will not tolerate the black suppression of the mullahs.

The day when the Iranian nation will rise and make these traitors ruling Iran pay is not very far away. We do not see this day as being far off--the day our people rise to take their destinies in their own hands, to determine what they want by themselves and to show that they are not prepared for any superpower, either the Soviet Union or the United States, to determine (?their destiny) for them and to place the blackest and most fascist dictator over our country and to impose a despotic and dictatorial clergy over us with whom the Soviet Union plays occasionally and wants to sign a friendship pact and support. These futile efforts, as far as the alert Iranian nation is concerned, [words indistinct]. The Iranian nation will not show tolerance in the future to any country that supports Khomeyni's regime and to any superpower that wants to support him.

The Iranian nation will rise united to overthrow Khomeyni's American regime. Yes, this is something that our nation will do, and sooner or later it will fulfill this predestination of history. Let Khomeyni's regime consider us Americans and affiliated with the United States. Let this bloodthirsty regime call the freedom fighters hypocrites and agents of the United States. The nation is well aware of these lies. The Iranian nation has read the hand of Khomeyni's bloodthirsty regime. By crushing this black and medieval regime and this

destructive reaction, the Iranian nation will cleanse the dark pages of its history of the slur of the mullah servant of the United States, Britain and the Soviet Union and the treacherous and criminal Tudehs and will establish its national sovereignty. Our national and combatant forces in the country and the freedom-wanting strugglers will proceed united on this path and will not stop until final victory.

Long live the Iranian nation! Long live Iran! Death to Khomeyni's criminal, bloodthirsty and East- and West-affiliated regime!

CSO: 4640/120

MAJLIS EXPELS THREE ABSENTEE DEPUTIES

LDI72008 Tehran IRNA in English 1845 GMT 17 Jan 82

[Text] Tehran, 17 Jan (IRNA)--Today three of four deputies who had been charged with unreasonably long absences from the Majlis sessions were found to be derelict in their duties without any extenuating circumstances to clear themselves and were expelled from the Islamic consultative assembly of Iran. These included two deputies attached to the fugitive Bani-Sadr, Salamatian from Esfahan and Ghazanfarpur. Salamatian disappeared following the flight of Bani-Sadr while Ghazanfarpur was arrested for armed subversive activities. The other expelled member was Karami. All four deputies had been given a warning notice from the Majlis following a vote on their delinquency and today had the opportunity to present valid reasons to the Majlis for their absences. The only two who used this opportunity were Karami from Khuzestan and Golzadeh Ghafuri of Tehran who, although they did not come to the Majlis personally, contacted the Majlis indirectly. Of these only Tehran deputy Golzadeh Ghafuri was judged to have a sound reason for not appearing personally and his case will be decided on following a fuller personal appeal to the Majlis.

The possession eviction of the Majlis seats of four deputies who remained absent from the sessions for over 130 hours were discussed. According to the law such deputies could protest to [as received] being stripped for their seats. In a previous session it was suggested that four deputies, Salamatian, Karami, Ghazanfarpur and Golzadeh Ghafuri be removed on the grounds that they were absent from the sessions beyond what the regulations permit. In Sunday's session several deputies spoke on this issue and the Majlis speaker announced that no letter of objection had been received from Salamatian while two deputies said that the absence of Karami was legitimate. He further added that Golzadeh Ghafuri in a letter had claimed his grounds for absence were reasonable. When he was asked to attend the Majlis and present his defence he had replied to the Majlis that he could not attend this session because he was ill and would either attend another session personally or would send a letter of defence. After some debate on the issue the absences of Karami and Khazanfarpur were not accepted and they were removed from their seats. As for Salamatian from Esfahan, it was said that the reason for his absence was clear and thus there was no need to take a vote on his membership.

CSO: 4600/183

PRC ALIGNMENT WITH U.S. DISCUSSED

GF171945 Tehran International Service in Turkish 1830 GMT 13 Jan 82

[Unattributed commentary: "Ping Pong Diplomacy"]

[Summary from poor reception] It had occurred to very few people that once Western diplomats entered Beijing the PRC would move forward in international politics. The PRC approach to Western countries in the early 1970's led to President Nixon's visit to the PRC in 1972. The talks Beijing leaders held with President Nixon and later with other American officials resulted in the establishment of closer ties between the two countries in the economic and military fields. "However, how has it become possible for the PRC, which used to describe the Western world as imperialist, [word indistinct] and a moral enemy to suddenly appear on the scene as a Western ally? The PRC's opening to the West is based on Mao's three principles. These principles, which were laid down by Mao and his colleagues, have since been the basis of PRC foreign policy."

According to Mao's principles, there are three worlds. "The United States and the Soviet Union form the first world. European countries are representatives of the second world and the rest are members of the Third World. This polarization among the countries of the world made the PRC an ally of the Western world."

It will be recalled that the PRC had sealed off its frontiers to the rest of the world between 1950 and 1960. However, after the formulation of the three world principle, the PRC moved closer to the Western world. At first, there were several obstacles preventing the establishment of close economic relations between the United States and the PRC. However, the PRC moved to find ways and means of establishing such relations by setting up economic relations with the Western capitalist countries.

Although the Beijing leaders attach importance to relations which would be mutually profitable, the Western world is no doubt only concerned with its own interests. "It is because of this that the PRC fills the pockets of the Western trade circles with millions of dollars every year. Meanwhile, it will be recalled that PRC economic relations with European countries gradually shifted from Europe to the United States. These relations developed because of the U.S. approach to the Taiwan question. In the course of all this time, the United States announced its approval for the sale of advanced technology to the PRC. The United States agreed to supply the PRC with various equipment using infrared rays, and tools and equipment used in tapping oil resources. The sale involved \$2.8 million dollars."

The development of political and economic relations between the United States and the PRC resulted in the establishment of cultural relations between the two sides. The Beijing government has announced that until 1985 it will be sending about 1,000 young men and women to study in the United States and other Western countries.

"It goes without saying that the PRC's tendency toward the West is continuing. The PRC Government has sided with U.S. imperialism because of its political aspirations. Although the PRC is a socialist regime, there are indications of a crisis. It will be recalled that at a time when the people of the world are protesting against warmongering President Reagan's decision to resume production of the neutron bomb, Beijing leaders have congratulated his initiative."

It will also be recalled that the PRC had supported the U.S. decision to deploy nuclear missiles in Western Europe. Furthermore, it is understood that the electronic spying equipment the United States installed in northern Iran during the shah's era is now in the PRC. Meanwhile, U.S.-PRC cooperation in the nuclear field is also developing. Thus, it has become apparent that the PRC stand regarding important international issues is totally in parallel with the interests of the imperialists.

CSO: 4654/117

SYRIAN PRESIDENT SAID TO BE 'PRESSURED FOR MEDIATION'

Tehran TEHRAN TIMES in English 2 Jan 82 pp 1, 3

[Text]

THE POLITICAL situation in the Middle East following the travels of Syrian President Hafez Assad to a number of Arab countries and the announcement of willingness of some Arab states for mediating between Iran and Iraq to end the war, the journey of Islamic Republic's foreign minister to Damascus and.....

These developments have speeded up certain transformations making it necessary to have these new political moves evaluated in order not to be faced with handicaps in future moves.

Undoubtedly, we should have expected the new moves after failure of the Fez conference. Naturally, predictable as foremost in a series of initial reactions were the severe measures employed by Israel and Arab reactionary regimes of the region against the leaders of the Arab Steadfastness Front headed by Syria.

The Steadfastness Front countries were not given due recognition due to their support to the Islamic Revolution in Iran and their direct or indirect condemnation of Iraq's imposed war on Iran and the Fahd Plan issue opposed by Syria also led to a cautious approach of the regional reactionary countries to these countries.

Until Israel officially usurped the Golan Heights.

While it was expected of all Arab countries to stand against Israel and to support Syria on the Golan annexation issue, unfortunately, occupation of Syrian lands went through with meaningful silence of the regional Arab countries.

Such moves were expected by the political analysts, since this renewed Israeli invasion was in reality revenge on Syria and the Steadfastness countries because of their past stands and a step to counter future policies.

Western/imperialism, doing its share of duty, succeeded in exerting a suitable pressure on Syria by depriving it of Saudi's financial assistance, sub-

jecting it to a political isolation in the Arab world, and by clandestinely giving the green light to Israel on the Golan aggression.

As to Saddam's defeat and formation of an Islamic Republic in Iraq, such a predictable structure is not only intolerable for the West but will be also too costly for the East.

If only the 15-year old military pact between Iraq and Russia, in which billions of dollars of Soviet interests are involved, get annulled with the crash of Saddam, it is enough to make the East employ its political pressure on its affiliated countries to block Saddam's downfall at any cost.

These pressures from western and eastern imperialism forced Hafez Assad to embark on meetings with Arab heads.

Let us not overlook the fact that these types of meetings made under the pretext of discussing the "Golan issue" did not have more than two motives: 1- to terminate the war between Iran and Iraq, and 2- holding another Fez conference.

After meeting with the Saudi leaders, Hafez Assad expresses his inclination for a reconvening of the Fez conference. Only a few days after expressing his wish, the date for reconvening the conference is announced for next April.

And, in the last moments, we were regretfully informed that the "Fahd plan" was included in the agenda of the summit. On the other hand, Hafez Assad declares that he will contact Tehran leaders to conclude the Iran-Iraq war.

Meanwhile, Kuwait, which has been one of the parties involved in the continuation of the war imposed by Iraq on Iran has also announced that it will mediate with all its diplomatic potential.

According to the information at hand, Syria will mediate with Iran and Kuwait will mediate with Iraq.

In the course of his journey, to a number of Persian Gulf countries especially Saudi Arabia, Hafez Assad probably has been under pressure from the regional sheiks.

In this war, one of the conditions proposed by the regional reactionaries for rendering aid to Syria may be halting Iran-Iraq war and imposing a kind of peace upon the Islamic Republic.

And since they know that Iran will not undergo any imposed peace and will not go back on or stretch its original principle conditions, they tried to make the Syrian government and the Steadfastness countries enter into the process of mediation and to reach the false conclusion that Iran does not want peace and desires to continue the war.

It is here that we should warn the Syrian government that though we know that you are under the most severe pressure, if we want to end this issue through an imposed peace, the issue will definitely end up in the benefit of the reactionary current related to the U.S. and ultimately to the interest of the Zionist regime.

We are never against negotiations, but in case such a negotiation result is to the benefit of American lackeys in the region and results in placing pressures upon Islamic Republic and the Steadfastness Front, it will be a great betrayal of the world's Moslems and the untiring victorious combatants in the battlefields.

Don't ever forget that the greatest barrier towards conquering Qods and lifting the domination of U.S. are these very reactionary sold-out Arab heads.

With Saddam's downfall, which is undoubtedly possible through our Islamic combatants, the key for conquering Qods and recapturing your usurped lands and other Islamic territories will be in the hands of the Moslems.

Do not deprive Islam of such a key through these movements in which only your short term interests lie.

It is necessary that the leaders of the Steadfastness Front and Syria should take up an Islamic and vigilant approach under these existing complicated circumstances and not let imperialism inflict the heaviest blow upon the Front through depriving it of the support of the Islamic Republic (as the most powerful country in the Middle East).

In addition, the Front will thus lose the support of the Moslem masses throughout the world, if such a thing happens and the travel of the Islamic Republic's foreign minister to Damascus will be beneficial in providing these explanations.

SYRIA BACKS COUNTRY AGAINST SADDAM

Tehran TEHRAN TIMES in English 3 Jan 82 p 1

[Text] DAMASCUS (Irna - Islamic Republic News Agency)(ex-Pars) — Ali Akbar Velayati, foreign minister of the Islamic Republic of Iran, who is currently visiting Syria, took part in a press conference after his second meeting with the Syrian President Hafez Assad in Damascus on Friday evening.

Velayati commented on the reasons for his trip to Syria, policy of the Islamic Republic of Iran toward Palestine, support for Syria, fight with imperialism and Zionism in the region, and Saddam's aggression against Iran.

The main objective behind the visit to Syria was to reaffirm the decade stance of the Moslem brother country of Syria in its fight against the traitor Zionist enemy, Velayati stressed.

Another reason, he added, to make such a trip was to submit President Khamenei's message to President Assad who had promised to visit Iran at the first opportune moment. He said that in his meeting with the Syrian president he had outlined the recent victories of the defenders of Islam against Saddam's regime and emphasized that the war would continue until the complete victory of the Moslem nation.

Referring to his talks with Syrian officials, Velayati called such talks as being fruitful in further strengthening the existing ties between the two fraternal Syrian and Iranian nations.

Speaking on the stance of

Syria vis-a-vis the Iraqi imposed war on Iran, Velayati said that the Syrian government had reaffirmed and supported Iran's legitimate stance against Saddam and that talks had been held on the United Islamic Front.

"We have told our Syrian brethren that we still believe that the only means to save the Moslems against the united front of the international unbelief led by the U.S. and their Zionist base, i.e. the regime occupying Qods, was the unity of Moslems. We believe that if Moslems become united they will achieve their required victories and our Syrian brethren and President Hafez Assad as well, reaffirmed our stance and said that they hold the same idea.

Commenting on the rumors of Syrian mediation to put an end to the imposed Iraqi war on Iran, the Iranian foreign minister said that it should be first noted that the fate of the war would be determined by the combatants of Islam and the Islamic Revolutionary Guard in warfronts. He reiterated that mediation between Iran and Iraq had never been discussed and was not included in the agenda and it was a mere imperialistic lie to damage the positive and constructive unity. Asked about Iran's terms to end the war, Velayati said that the terms were the same three points repeatedly emphasized by the leaders of the Islamic Republic: unconditional withdrawal of the Iraqi forces from Iran, decision of qualified international

sources on which party to be held responsible as the aggressor and payment of war indemnity by the aggressor to the other side.

Once again referring to the issue of Palestine the Iranian foreign minister said that since the beginning of the Islamic movement in Iran Palestine had been one of the priorities of the movement. After the victory of the revolution, he added the great leader Imam Khomeini announced the last Friday of the fasting month of Ramadhan as the "Qods Day" when millions of Moslem Iranians staged massive demonstrations every year to support the Palestine movement.

"Our people unitedly believe that the only way to fight the usurper regime of Qods is an armed struggle and condemn any compromising solution ... thus our Moslem nation reaffirmed the uncompromising stance of the Moslem brother Syrian country and announce its support for the Arab Resistance Front including Syria, Libya, Algeria, People's Democratic Republic of Yemen and Palestine Resistance Movement," Velayati said.

Velayati returned back from his trip to Syria at the head of a delegation, started last Thursday, at 17.05 local time yesterday and was welcomed by Ahmad Azizi, foreign ministry deputy.

DEFENSE OF PERSIAN CULTURE STRESSED

NC161727 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 16 Jan 82

[Excerpts] On the last day of unity week the president of Khomeyni's regime, 'Ali Musavi Khamene'i, stated at a meeting with Islamic ambassadors that the sixth principle of the Islamic Republic's policy is to return to the rich and genuine Islamic culture. He said: We deem the Arabic language as the international language of Islam and have made it constitutionally mandatory that Arabic be taught in schools."

Our dear compatriots, you understand very clearly what these remarks mean and (?have seen what) a return to that which the Iran-destroying regime calls the rich and genuine Islamic culture means. The fact is that we are (?facing) an occupying and (?irresponsible) regime which is speaking the language of force and which is acting with less pity than any occupying army.

(?From an Iranian point of view), we are going through (?a sinister) period of occupation). This is the way the national forces should see Khomeyni's regime. The people who make up this regime only have an Iranian face and Iranian names, while their culture--if it can be called one--is foreign. What they project as doctrines and principles are a (?collection of fabrications) with no connection either with the Islamic or Arabic cultures. (?What they want) is to destroy Iran's culture in the name of their fabricated Islam, which (?forms the basis of their caliphate), and they do not hide this objective.

An acquaintance with the Arabic language (?or with Arabic culture) can enhance the knowledge of any (?scholar and researcher), as can an acquaintance with any other language and culture. But any person who (?wants to impose) the Arabic language on the Iranian nation will meet with the same resistance as was seen in Iran during the first 2 centuries after the Hegira.

Let us look at history. All foreign attacks were first directed at our culture. People who speak Farsi were (?killed) in a bid to destroy the Farsi language, but this precious language (?survived) [words indistinct]. Books were burned in the hope of burning Iran's culture. However, none of these attacks (?were able to harm) [words indistinct] Iranian culture.

(?This is the reason we are saying) that the (?band ruling Iran now) is more (?dangerous) than any occupation force [words indistinct]. They are (?not one of us). They are living in another world and in the past dark centuries. Their (disgraceful patterns) are not our patterns. Their [word indistinct] is our spirit's enemy, and what they want is not what we want. We are first Iranians and then (?followers of a religion). We cherish the Persian language as we cherish

our lives. They want [words indistinct] Iranian culture and do not want us to have any of our national supports, and they have plans for the destruction of each and every one of these supports.

Compatriots! In this struggle against the occupying regime, do not forget cultural resistance. Do not let the light of the thought of Iran to be extinguished. Use all your strength to stay Iranian and to be (?more Iranian than all our ancestors. Drink from the well of Iranian culture) more than before and protect your national language more than ever before from harm by the enemy. Do not spare any efforts to better acquaint yourselves and others with your culture and language. Show the occupying enemy that you are children of Ferdowsi [words indistinct] and Hafez and that you (?honor) Sa'di, Mowlavi and all the other (?great spirits and great scholars) of this nation. Show that you are alive with this heritage and that you (?will keep Iran alive) by adding to this heritage.

CSO: 4640/121

IRAN

REPRESENTATIVES OF LIBERATION MOVEMENT MEET IN TEHRAN

GF121618 Tehran International Service in Arabic 1430 GMT 12 Jan 82

[Text] Representatives of international liberation movements in Tehran today welcomed Islamic unity. They announced they will continue their Islamic struggle in order to achieve the Islamic revolution.

During a meeting of liberation movement representatives which convened in Tehran today on the occasion of unity week, the representative of the Arabian Peninsula Liberation Movement said that the United States intends to impose pressure on the Islamic revolution through the Saudi regime and reactionary regimes in the area because Saddam's regime is on the verge of collapse. He stressed that the people of the Arabian Peninsula will confront the conspiracies of the two superpowers.

The representative of the Afghan Islamic Movement explained activities opposed to Eastern oppression, the USSR, in Afghanistan. He said: Our people are determined to be victorious under the leadership of the imam of the nation.

The representative of the Islamic revolution in Iraq referred to the crimes of Saddam, saying that the Muslim Iraqi people will achieve sovereignty for Islam under the leadership of imam Khomeyni despite the conspiracies of the East and West.

The representative of Bahrain praised unity week. He also referred to the repressive measures undertaken by the Bahraini regime. He said the regime recently detained 1,500 Muslims on charges of supporting the Islamic revolution. In addition Saddam sent seven experts in torture to Bahrain. The representative expressed hope that international Islamic government will become a reality under the leadership of imam Khomeyni.

The representative of the Moro liberation front referred to the struggle of Muslim Philipinos against the Marcos regime. He said: We hope to achieve unity and brotherhood among all Muslims.

CSO: 4604/9

TUDEH RELATIONS WITH MULLAHS REPORTED

GF191030 (Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 18 Jan 82

[Excerpts] Dear compatriots, the [word indistinct] of the mullahs' republic are terrified by the disclosure that all Iranian affairs are in the hands of communists. In recent days a foolish effort to cover up this reality has begun. According to some news agencies, restrictions have been imposed on the Tudeh Party and a number of party leaders have gone into hiding.

Meanwhile, those who were honored by meeting the nation's imam have been told that amid their anti-U.S. slogans now and then they should chant "death to the Soviet Union." During Friday prayers a few days ago, we witnessed that some words were said against Afghanistan as well. According to political observers, these are just childish plays. Mr Khomeyni and his associates have managed to fool a number of simple and illiterate people and think they can fool political observers in the same manner to cover up the realities. However, it is more likely that this artificial anger is just a show; that is, the comrades themselves have decided that the leaders of Khomeyni Islamic Republic, in order to fool others, can now and then attack the north.

Those familiar with the history of imperialist policies in the Third World know that this trick is one of the old ones used by imperialists during the time that our country was the area of contention between the British and Russians. The British had persons whose job was to attack the British day and night. Some people used to (?pretend) that they were the strongest enemies of imperialism. With the publication of documents and the disclosure of political secrets, it was revealed that they were the closest allies of the [British] Embassy.

Khrushchev once said that he did not have to make any effort to lay his hands on Iran because Iran was like a ripe apple ready to fall. Hence, wait until it is a little riper. Khrushchev's successors noticed at the beginning of 1978 that the apple was ripe and ready for picking. A number of events keeping Iran away from international communism were destroyed by a strong typhoon, but still there were two important things that prevented the picking of the ripe apple--nationalism and the religious factor.

Communist foreign policy makers have become highly experienced in the 65 years since the October Revolution and the establishment of the first socialist government. They have learned to take the right path and make the right decision for the expansion of the communist empire. They no longer make any hasty decisions with regard to their foreign policy.

In the first days of the Bolshevik government they had few golden chances to infiltrate Iran. Once, they used the unrest caused by World War I and the anti-imperialist movements in the northern part of Iran. They managed to enter Iran and hoist the flag of the first socialist republic in Rasht. Nationalist feelings and the religious beliefs of the people, including the role played by Mirza Kuchek Khan, the leader of the Jangal uprising, foiled their plan. The second time, during unrest created because of World War II and a possible invasion of Iran, they once again had the opportunity to occupy part of Iran and establish communist governments in Azarbaijan and Kordestan. They did not succeed this time either for the same reasons.

During the nationalization of oil, for the third time the Tudeh Party exploited the situation and established a strong political and military organization which was to stage a coup d'etat at a right time and topple the Iranian Government. Implementation of this plan was postponed due to the nationalist feelings of the people. Then the plan was sacrificed in an international political compromise.

A doomed alliance that was made in accordance with the communists' proposal and signed in Neuphle-le-Chateau during the announcement of solidarity week became official. Furthermore, experienced theoreticians, during secret meetings with leaders of the Islamic Republic Party, were putting forth PLA plans drawn up by experienced planners of international communism and were teaching them how to get rid of unwanted persons and how to attain power. The mullahs, full of complexes and thirsty for power, could not see why the leaders of the Tudeh Party were obeying the clergy.

Why have the materialists forgotten their differences with God and religion and fallen in love with the Islamic Republic? The Tudeh Party encouraged the mullahs to gain full power and in reality found their weakness for power. Therefore, when the mullahs were thinking they were using the Tudeh Party, in reality it was the Tudeh Party which had let the mullahs use it under the instructions of its masters, awaiting the right time to get rid of the mullahs and put the chains of slavery on the Iranian nation forever. According to the prearranged plan, the Tudeh Party is still following the same path.

All nationalist and religious forces who opposed communism in Iran have been mercilessly destroyed by the so-called Islamic Republic. The only organization that is still cooperating fraternally with the Islamic Republic Party is the Tudeh Party, the party that has achieved all its goals with no problem by using its puppets--the mullahs. Those goals could not have achieved so easily otherwise. The Islamic Republic is caught in the net of the international communism and there is no way it can escape.

International communism knows what it is doing and has used many asses such as [name indistinct], Nur Mohammad Taraki, [name indistinct] and many other of the East European leaders before Khomeyni, Khamene'i and Rafsanjani.

CSO: 4640/121

HIRED LOUDSPEAKERS SQUEAL AGAIN

Tehran TIMES in English 2 Jan 82 p 2

[Text]

TEHRAN (Islamic Republic News Agency) -- Concurrent with the visit of Dr. Velayati the Foreign Minister of the Islamic Republic of Iran to Damascus, the Syrian capital, foreign radios immediately launched a wave of distorted news in relation to the purpose of the visit.

The Zionist controlled media, immediately following the news on the visit, broadcast that the sole motive behind Dr. Velayati's visit to Damascus was to seek Syrian mediation efforts to end the war between Iran and Iraq.

The Zionist radio, as usual, failed to comprehend the stand of the Islamic Republic of Iran which had supported Syria in opposing the annexation of Golan Heights by Israel to its territory.

Radio Israel has overlooked one basic factor. Iran, which has to its credit consid-

tent victories over the aggressor forces of Saddam -- does not require mediation to end the war.

While ironically neglecting the impending downfall of Iraqi Ba'athists, Radio Israel, and its accomplices, The Voice of America and BBC, have concerted their efforts to brand the visit of Dr. Velayati to Damascus as an act of seeking a third party for a go-between to establish peace with Iraq.

It should be noted that in the first place, Iran is not a war-monger country and since it was the Iraqi regime which ventured out to invade the Islamic Republic's land, a peace treaty can be signed only when the Iraqi regime unconditionally withdraws her forces from the Iranian territory and confesses to her aggression and agrees to accept the due punishment.

CSO: 4600/180

SPOKESMAN EXPLAINS BUDGET RATIFICATION

LD171844 Tehran Domestic Service in Persian 1630 GMT 17 Jan 82

[Excerpts] According to a Central News Unit report, the Council of Ministers of the Islamic Republic of Iran met this afternoon in continuation of its extraordinary meetings.

This, the cabinet's last extraordinary meeting, reviewed and ratified figures relating to revenue, expenditure and the entire budget balance sheet. A number of clauses of the budget were amended. At the conclusion of the cabinet deliberations government spokesman Ahmad Tavakoli spoke to our correspondent:

[Begin recording] [Question] Mr Tavakoli, could you elaborate on the topics discussed at today's cabinet meeting.

[Answer] I am pleased to inform the martyr-nurturing people of Iran that the government fulfilled its promise and the budget was finally ratified by the cabinet. The budget is to be presented to the Majlis, God willing, on 24 January, that is 1 day before the deadline. According to the budget approved by the government, we have reduced the government's current expenditures and payments from 1,840 billion rials in the current budget to 1,740 billion rials, a reduction of 100 billion rials. On the other hand we have increased the war budget from 300 billion to 400 billion rials. This shows that from the government view point the war is the most important issue.

Thank God, the budget deficit is very little; it is around 10 percent of the total budget, which amounts to 3,040 billion rials and of which about 10 percent is deficit. We hope to recover this deficit as we go along and we hope that, with its timely approval by the Majlis we can begin to launch our development programs as of 21 March, thus benefiting our deprived and oppressed people with the interest.

Meanwhile, I should inform our nation that our brother Mr (Sheykh Attar) has been appointed by the cabinet as governor general of western Azarbayjan. We hope that with his knowledge of the region and with the support of the over-alert people of Azarbayjan he will succeed in his mission.

[Question] Would you be kind enough to elaborate on the development budget in the forthcoming budget?

[Answer] There is not much difference between the budget allocated for development in next year's budget and the budget of the current year--the figure is more or less equal. Of course, since the current year's budget was ratified by the Majlis 4 months behind schedule and 6 months had elapsed before the budget was communicated to the government, most of the budget unfortunately was not spent on development, but next year we hope that with the 810 billion rials, which is approximately half the current expenditure, and with the budget being communicated to the government in time, we will be able to spend every penny on development projects. [end recording]

CSO: 4640/121

MEASURES FOR INDUSTRIAL RENOVATION ANNOUNCED

Budget for Industries

Tehran KEYHAN in Persian 20 Dec 81 p 15

[Seminar of Minister of Industries Hashemi and Governor-General of Khorasan Habibi]

[Text] Mashhad--A seminar of the minister, deputy-ministers, and directors-general of the Ministry of Industries began work at 8 am Friday in the Sadr Hotel in Mashhad with a recitation of verses of the Koran. Present at this gathering were Hashemi, the minister of industries, deputy-ministers, and directors-general of this Ministry, and Habibi, the governor-general of Khorasan.

Hojjatoleslam Tabasi, the superintendent of the holy shrine, spoke at this meeting and pointed out that this gathering coincided with unity day between the university and the clergy. He said: We hope that the expert Muslim forces make an effort to rebuild the new Islamic society so that the dependence of the industries on foreigners, which was created by the hated Pahlavi regime, is eliminated and correct planning is done for the industrial self-sufficiency of the country. He added: There are those who think that although they are committed followers of the ideology, they need the West for expertise. However, each one of you brothers is scientific capital. With some attention and self-confidence, you can, with the grace of God, eliminate all dependencies and make the best use of the power of your expertise to make the country self-sufficient. Then, Mohammad Nabi-Habibi, the governor-general of Khorasan, said in this connection: We must believe that we are able to survive without being dependent on either the East or the West. Of course, to achieve this goal, we must go through some difficult stages. He added: We hope that the dear directors-general of the provincial industries note that the government of the Islamic Republic is not opposed to science and expertise and is ready to bring to trial anyone who opposes them. After the statements of the governor-general of Khorasan, Hashemi,

the minister of industries, spoke. He said: This is the second gathering concerning this issue. We hope that in these gatherings concerning industrial development, we will reach favorable results. The minister of industries added: Previously, the Ministry of Industries had become a ministry for registering industries. That is, someone would bring a plan and this ministry would register it, stamp it, and say to go ahead with it. But, presently, our needs go beyond this. In another part of his speech at this gathering, Hashemi said: We do not oppose the activities which benefit the society and are not purely for personal gain. He added: Presently, we are spending 7 billion dollars to begin industrial operations. This only makes up 13 percent of the gross national revenues. Since the industrial gains obtained are insignificant, we must coordinate industries which can be more valuable in the construction of the country. Therefore, a Ministry of Heavy Industries must be established, since parent industries have not developed in our country from a qualitative standpoint. The minister of industries of our country added: We have sent the bill to create the Ministry of Heavy Industries to the Majlis and we will begin work after it is ratified. In connection with the directors-general of industrial units, he said: Our directors-general of industrial units must be self-sacrificing and prepared for martyrdom. They must work along the path of God and they should not look upon their work as a job. After the speech of Hashemi, the directors-general of industries of the Provinces of Esfahan, eastern Azarbaijan, Shiraz, Yazd, Khuzestan, and Zanzan each described the condition of industries in their own provinces. They pointed out the problems of the departments of industries, described their accomplishments, and offered suggestions.

It should be noted that in this session, groups, including administrative, industrial, commerce, and mining groups, were formed to study the suggestions and problems pointed out.

Among the issues that will be studied in this gathering are small industries, industrial regions, directing capital, industrial development projects, the industrial reconstruction of war zones, industrial planning, and the division of duties among the central region of the Ministry of Industries and the provinces.

Heavy Industries Program

Tehran, 11/7/66 in Persian - Dec 31 p 5

[Interview with Engineer Yaqut, deputy minister for plans of the Ministry of Industries]

[Text] Reguvenating the sick industries of the country, starting up their operations, devising development policies, and expanding the national economy to eliminate dependency require fundamental

planning for the national economy. Industry for which 95 percent of the spare parts and machinery and more than 75 percent of the primary materials consist of imports, the flight of thousands of dependent and plundering industrial experts whose interests were endangered, and the need to increase production and fight being a single product economy all show the necessity for industrial self-sufficiency. The government has also concentrated its industrial policies on attracting investment in projects which will provide the material needed for industrial units, change the consumption model, fight the production of consumer goods, encourage the industrial workers, create small industries which employ workers and industrialists in the agricultural sector, encourage planners to produce industrial spare parts domestically to achieve self-sufficiency, and mobilize the banking system to give the necessary loans. Also, recently, to implement the principle of the Constitution dealing with the nationalization and operation of large industries, the bill to establish the Ministry of Heavy Industries was ratified in order to eliminate the dominant role of the private sector in industrial activities. A period of one year has been allowed for the formation of this ministry.

The minister of labor also announced in an interview that to activate industries in planning in this regard, the existing industries of the country have been divided into four groups, including industries for necessary items, industries for necessary convenience items, industries for unnecessary items, and harmful industries. Each one of these divisions is also divided into such categories as healthy industries, industries which can be developed, sick industries which can be cured, and incurable industries [as published]. Planning and implementation will be done on the basis of these divisions. In this manner, a new vitality can be seen in activating operations, changing the direction of production, self-sufficiency, and creating independent industries, which can be the beginning of a movement towards creating independent national industries.

Overcoming dependence and being freed from the economic domination of worldwide imperialism is unattainable without strength and industrial independence. But presently, we are the inheritors of a sick industry which is strongly dependent on Western capitalist countries. To quote the authorities, more than 95 percent of spare parts and machinery and more than 75 percent of primary materials are imported from abroad. After the revolution, 105,000 foreign specialists who worked in the industrial sector and 30,000 native experts whose interests were endangered left the country. Hence, to make a healthy

national industry, it is necessary to first study the particular makeup of our industry, to identify the main reasons behind the present difficulties and find out the factors behind the present stagnation and shortcomings which took root with the previous false policies.

The Main Reasons behind the Difficulties of Industries

The Supreme Economic Council has established a number of committees to devise economic plans. Since the industrial sector plays an important role in the national economy, correct solutions for the improvement and operation of the industries must be offered. But before all else, the shortcomings in industries and the existing solutions must be studied. For this purpose, we interviewed the deputy minister for plans of the Ministry of Industries.

Engineer Yaqut, deputy for plans of the Ministry of Industries, talked about the major reasons for the difficulties, the stagnation of the industrial sector, and the solutions for the confrontation with this great economic problem as follows: The major reasons for the difficulties and the stagnation of the economic sector are the strong dependence of industries on imports of primary materials, machinery, and spare parts; lack of coordination in the progress of various economic sectors; shortages of specialists; and manpower difficulties. The dependency-related difficulties, especially during the economic embargo and war conditions, result in stagnation. Noting the goal of the Islamic revolution to operate within the framework of national independence, it is necessary to seriously pursue self-sufficiency. Efforts have been made in this regard. Basic steps should be taken in determining priorities, encouraging investment in intermediary and capital goods, ratifying plans regarding domestic resources and independence from abroad, choosing a technology appropriate to the capability of industry, completing the intermediary and investment links in essential industries, activating the machine-building factories, reducing the variety of goods, and standardizing production systems.

He said: We must confront the problem of uncoordinated progress in the economic sectors with a nationwide, centralized, and coordinated program. We must assess industry, agriculture, and other economic sectors and the interrelation of these sectors with one another and devise a chart with input and output, which shows a clear picture of the relationship between industry and other sectors, so that proper investment can be made in every sector.

Encouraging Production Increases of Industrial Workers

The deputy minister for plans of the Ministry of Industries said, concerning what should be done to increase industrial production in the area of basic needs and encourage industrial workers: "Before

the revolution, the needs of the consumption market and the production of consumer goods played the determining role in the investments of the industrial sector. Recently, however, this Ministry has made an effort to direct investments towards goods needed by industries by determining priorities and encouraging investments in intermediary and capital goods industries to work toward industrial self-sufficiency, equipping and instructing the banking system in this area to give loans to these kinds of industries. It aids research institutes which work for independence through designing and making spare parts. Furthermore, through encouraging exports, decreasing imports, studying the situation of the customs and cumbersome regulations, solving the problems of the ports, unloading and transporting goods which eliminate foreign elements and create the necessary facilities, we must plan to gradually export those goods which are not needed for domestic consumption."

Concerning plans for using manpower and creating jobs, Engineer Yaqut said: "Since large industrial projects which provide many jobs take a long time, we cannot in the short run expect the industrial sector to employ a significant amount of manpower. Industries must be mobilized, after the necessary studies, to promote self-sufficiency and independence, train the needed expertise, and employ needed manpower. Obviously, the creation of small industries which need workers, industries in the agricultural sector, and especially investment in road building and construction can increase the level of employment."

Establishing the Ministry of Heavy Industries

Some time ago, a proposal was presented by the Ministry of Industries to the Cabinet to change all the widespread industries, the organization of national industries, the organization of light industries, the organization of development and construction, and the Ministry of Industries into three ministries: Heavy Industries, Agricultural Production Industries, and General Industries. These ministries have various duties in various fields of expertise to be able to both make plans for and manage government factories. The Ministry of Heavy Industries will be established to include moulding industries, vehicle manufacturing industries, and machine manufacturing industries. The Ministry of Agricultural Products will cover food industries, such as sugar, sugar cane, shortening, dairy products, and fisheries. The Ministry of General Industries will cover other consumer industries. The bill for the establishment of the Ministry of Heavy Industries was approved by the Cabinet. The goal is to reduce dependence and attain industrial self-sufficiency. According to this plan, the private sector institutions, which are active in moulding industries, blacksmithing, machine manufacture, engine manufacture, heavy steel industries, and major industries, such as the manufacture and assembly of ships, airplanes, and cars, will be affiliated with the Ministry of Heavy Industries in regards to

Planning and the quality of their work and, in other areas, they will be subject to other current national regulations.

The Ministry of Heavy Industries is responsible for making the necessary changes to determine the regulations for heavy industries with regards to Principle 44 of the Constitution of the Islamic Republic of Iran, within a maximum period of six months after the approval of this bill and will implement those regulations after their ratification by the Majlis. Also, the Ministry of Heavy Industries will be authorized to take steps to establish, shut down, merge, or separate its affiliated companies, under government supervision.

Regarding the reason for the creation of this Ministry, what changes will occur in industrial productions, and what will be done to increase the production of industrial workers, the official of the Ministry of Industries said: "The reason for establishing the Ministry of Heavy Industries and the Ministry of Agricultural Production Industries is exactly as was written in a letter to the Cabinet. According to this letter, the duties of the Ministry of Industries in the development of and supervision over national industries are general and cover the supervision of all industrial fields. The resources of this Ministry for responding to needs, considering the conditions before the revolution and the dominant role of the private sector in industrial activities, seemed, previously, to be sufficient. But, with the victory of the Islamic revolution and the ratification of the Constitution of the Islamic Republic, which indicate the coordination and supervision of the government over all industries in the country, the role of this Ministry in creating, operating, and developing industries became too cumbersome. Principle 44 of the Constitution of the Islamic Republic of Iran has characterized the economic system of Iran on the basis of three governmental, cooperative, and private sectors and has placed all large industries under the control of the government, which must be operated through public ownership. Hence, the necessity of establishing the Ministry of Heavy Industries as an independent ministry is felt more than ever before, in order to provide the grounds for the implementation of the goals of the Constitution and for the rationalization and utilization of large industries."

THE MINISTRY OF HEAVY INDUSTRIES AND AGRICULTURAL PRODUCTION INDUSTRIES

According to the bill on industrial production and what mentioned in the bill, the government production of industrial workers, the government of the country of industrial goods, "The priority for the government is to bring the industrial units in the country under the control of the government and bring them to the government's attention. The bill that before the revolution, the government had no control over the production of industrial goods, after the revolution, the government has

tried, through determining priorities and encouraging investors, to move towards projects which will provide the material needed for the existing industrial units in the country. In our opinion, if this is done successfully, it would, in fact, be a great step towards industrial self-sufficiency. In this connection, we encourage industrial workers to increase production by creating research facilities and providing financial assistance, to a certain extent. For this purpose, we have mobilized the banking system to make the necessary recommendations for giving loans to this kind of industry. On the other hand, we have invited research institutes which work for independence through designing and manufacturing spare parts to provide the necessary assistance in this regard.

9993

CTO: 4040/88

Income from Exports

Tehran, 24 Dec 1951 (Dec 21 n 5)

[...], deputy for currency of Sarkasi Bank, said about the present currency situation of the country to the TASS correspondent: The currency situation is improving as oil and other exports are increasing, especially non-petroleum exports. This month, cash paid has been exported than was last month.

The deputy for currency of Sarkasi Bank added: Our monetary commitments are improving with the increase in revenues, since these revenues had been decreasing of late. Obviously, with the increase in revenues, the currency commitment of Sarkasi Bank will also be better supplied.

He then said: Relatively, the opening of credit for goods had increased of late, the causes of which are known to the Ministry of Economy. However, one of the major reasons is that credit is not yet opened for luxury and semi-luxury items, which we consider still "unnecessary". The credit is opened for this type of goods and this will be continued in the future.

Power Plant for Azerbaijan

Tehran, 24 Dec 1951 (Dec 21 n 5)

... the director of Ministry of National Electricity of Azerbaijan says that the main cause of the difficulty in Azerbaijan is the shortage of electrical power. He emphasized that one of the most important causes of this shortage is the lack of electrical power. In an interview with the TASS correspondent, he said: "The production of electricity will be increased until new power plants are built and the power is being used to increase electricity production in the Province of Azerbaijan to 70-800 megawatts."

with the operation of the 100 megawatt natural gas power station of Shirvan. Because agriculture is given special priority in regards to electrical output, this increase will not respond to our needs. The general manager of regional electricity added: One of the basic and fundamental goals of the Ministry of Energy is to decrease consumption in the cities and provide electricity for the working and deprived people of the villages. In this connection, 53 villages in Khorasan were provided with electricity last year and now a larger number of our fellow citizens are enjoying the advantages of electricity.

In another part of this interview, Engineer (Malaki) stated that the building of residential units in the areas covered by electrical networks and outreach facilities is destructive to these networks and results in a lengthy disruption of power plants. He pointed out, in this connection, that the deviators will be dealt with severely and if these individuals do not heed the warnings of the electrical company, the Islamic revolutionary court will deal with them. The reason is that their inhumane action will increase our dependence on the superpowers and is, in a way, treasonous to the blood of the martyrs. He also warned those who make unauthorized use of electricity to stop doing so and asked the people to help the electrical company identify these individuals.

Concerning the future plans of the electrical company, the general manager of regional electricity said: The expansion of electrical networks and power stations is very costly. Given the present situation of the country, it would seem somewhat difficult to have the resources to expand the power stations. However, we hope that before we can produce more power, our committed fellow citizens will decrease their consumption.

Concerning the creation of a 150 megawatt power plant in the province, the general manager of regional electricity said: The Plan and Budget Organization has approved the creation of this power plant and has anticipated the necessary funds. We hope to begin to implement the plan for the power plant during the period 21 Mar 82-21 Mar 83. Of course, the implementation of this plan will take three years. He said: Simultaneous with the creation of the new power plant, the reconstruction of the network and the training of the needed manpower will also be carried out.

Merchant Shipping

Tehran BURS in Persian 10 Dec 81 pp 8, 4

[Text] Mohammad (Muri), the general manager of the shipping company of the Islamic Republic of Iran, took part in a press and radio-television interview yesterday, providing correspondents with information concerning the activities of that company. First, he

mentioned that 90 percent of the country's imported goods are transported by 41 merchant oceanliners of the shipping company of the Islamic Republic of Iran. Pointing out the importance of the increase in the cargo transport capacity of the shipping company, he said: The importance of shipping becomes apparent when we note that in the world today, the ability of countries, in terms of capacity and control over the transporting of their merchant ships, is a measure of their independence. For this reason, the merchant shipping of every country can be considered the second defensive line of that country. For this purpose, the government of the Islamic Republic of Iran intends to increase the capacity of its merchant shipping. Recently, with the purchase of 6 grain carrying oceanliners, we were able to increase our shipping capacity by 215,000 tons. The important point is that the price of 10 billion rials for the above-mentioned ships was paid in cash. This shows that the imperialist propaganda about the end of currency reserves and the financial inability of the Islamic Republic of Iran is nonsense. In this connection, the Supreme Economic Council has approved the purchase of another four grain carrying ships and four tankers.

Concerning future programs and the plan to expand shipping, (Muri) said: With consideration for the evolutionary process of the country's foreign trade, the shipping company of the Islamic Republic of Iran has prepared a plan by which it will be able to do more than 90 percent of the shipping of the country by the period 21 Mar 87-20 Mar 88. The general manager of the shipping company of the Islamic Republic of Iran said concerning the training of Iranian cadre and replacing foreign personnel: Presently, about 300 foreign personnel work on our ships. So far, Iranian officers have been training in foreign academies. Unfortunately, the results of the training of personnel abroad has not been favorable. For this reason, a new training plan, consisting of four parts, has been prepared. Our universities will be able to train these individuals in Iran. He added: During the past regime, an academy for Iranian officers and engineers was established, at great expense, in Chahbahar by South Hampton University of England. After the revolution, this university refused to continue its work. The shipping company of the Islamic Republic of Iran has announced that it is prepared to reopen this academy. Following our plan, the training of naval officers and engineers will be done at the naval academy of Chahbahar and the training of seamen by the Navy of the Islamic Republic. The Ministry of Post, Telegraph, and Telephone has accepted the responsibility for training the communications officers at the communications college. We will train the commercial cadre with the cooperation of the Ministry of Commerce and the business college of Iran and the assistance of the shipping company. The provisions officers will be trained by the national tourist organization. In conclusion, he said: In order to encourage the exporters of goods to various countries, the shipping company will transport every ton of cargo at a cost 10 percent lower than other foreign shipping companies.

RULES FOR DISTRIBUTION OF FUEL COUPONS ANNOUNCED

Tehran SOBH-E AZADEGAN in Persian 12 Nov 81 p 2

[Text] A bulletin dealing with the distribution of fuel and oil coupons for all kinds of motor vehicles using diesel fuel was issued by the fuel and energy committee of the National Economic Mobilization Headquarters. The text of the bulletin is as follows:

In the Name of God

According to the decision adopted in the meeting of 3 November 1981 by the Fuel and Energy Committee of the National Economic Mobilization Headquarters in the office of the Deputy of the Ministry of Road and Transportation, the ration for each type of motor vehicle using diesel fuel in the cities and outside cities has been determined as follows and was agreed to be implemented by the Mellat Bank from 12 November 1981:

A. For all cargo transport vehicles with total loading capacity and weight of 19 tons and over, which previously have been given an authorized booklet for transport by the Ministry of Road and Transportation.

The distribution of coupons for the motor vehicles with permit booklets is as follows:

1. The driver must present the original booklet to one of the specified branches of the Mellat Bank and apply for the coupons.

2. The owners of the booklet will receive monthly coupons as follows:

1. Two wheel and three wheel vehicles will receive 1,800 litres of diesel and 2 percent of that amount or 36 liters of motor oil in coupons.

2. Four and five [sic] wheel vehicles are entitled to 2,100 liters of diesel and 2 percent or 42 liters of motor oil. A request for more diesel and motor vehicle coupons as determined above is provided only if the cargo vehicle is able to travel to one of the areas to transport cargo which is vital for the country. These areas are as follows: Bandr'Abbas, Bandar Imam Khomeyni, Bandar Bushehr, Jolfa, Bandar Anzali, Bandar Nowshahr, Astara, Mir Javeh, Bajgiran.

NOTE: At the time of loading from the mentioned agency, for each trip, the receipt for fuel coupons must indicate the starting (loading) point and the (unloading) destination. This must be stamped and signed by the representative of the Organization Committee of Transport Affairs located in southern parts and the starting point of the country. It should be noted that at the time of re-dying diesel and motor oil on the basis of the 2 percent, the same officials must calculate the travel distances according to roundtrip distances. For example, if the one-way travel distance is 500 kilometers, they must issue diesel and motor oil for a roundtrip distance of 1,000 kilometers.

5. For all Corps receiving states, total funding amounts and weight loss loss from by road and other up to 100 more authorized travel incidents, the per vehicle weight will be determined on the basis of the yard and the vehicle as follows:

[illegible]

E. Guidelines for delivery of coupons to passenger vehicles:

1. All passenger buses with travel booklet permits will receive fuel, per vehicle, equivalent to 5,000 liters a month and 2 percent of that amount or 100 liters of motor oil from Bank Mellat.
2. All minibuses whether inside or outside of cities will receive fuel, per vehicle, equivalent to 1,350 liters a month and 2 percent of that amount or 27 liters of motor oil from the Bank Mellat.
3. All red plate diesel vehicles will receive fuel, per vehicle, equivalent to 1,200 liters per month and 2 percent of that amount or 24 liters of motor oil from the Bank Mellat.
4. All privately owned white plate buses and white plate minibuses will receive fuel, per vehicle, equivalent to 1,350 liters of diesel and 2 percent of that amount or 24 liters of oil from Bank Mellat.
5. Diesel vehicles with white plates will receive monthly fuel, equivalent to 60 liters. The ratio of motor oil for these consumers is the equivalent of 2 percent.

It seems that Bank Mellat will follow the rules of the plan within the limitations of the bank. Calculations were made on the basis of traveling distance and proceeds received. Funds were collected from a revolving account, from vehicles which operate outside cities and which previously received 10,000 liters of diesel oil and 2 percent of that amount in motor oil.

Note: The date for distribution of coupons within the city has been set for 10 days and the determined date is from 12 November 1981 to the closing of office hours on Saturday, 21 November 1981 inclusively.

Note: This information is to be used as a guideline for Bank Mellat branches.

9815

CSO: 4640/73

UNITY WEEK IN COUNTRY SCORNE

GF110558 (Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 10 Jan 82

[Excerpts] Compatriots, the Islamic Republican regime of Khomeyni is holding a so-called unity week and is talking about unity at a time when a wave of dissent, disunity and terror--all of which have been caused by Khomeyni's regime--has engulfed our homeland. Who but the illiterate and crazy rulers of Khomeyni's regime have created division between Shi'ite and Sunni? Was it not Khomeyni who declared our Kurdish Muslims infidels and released a wave of guards in Kordestan to kill these infidels, saying that anyone who kills them or is killed will go to heaven? Was it not this same anti-Christ Khomeyni who declared Baluchestan the land of infidels, attacked Baluchi Muslims with bombs and shells, sent guards to Baluchestan va Sistan and crushed the houses of our compatriot Muslims with tanks and cannons? Is it not the same infamous constitution of the regime of Khomeyni's Islamic Republic that ignores the just rights of our Sunni brothers? Khomeyni has promised to change it, but it still remains in its original form. What other regime but the anti-Islamic regime of Khomeyni has sown the seeds of hatred and discord among the Muslim nations of the region and has begun a war with a neighboring Muslim country killing thousands of Muslims from both countries?

What is the terror [vahshat] week of Khomeyni's regime going to prove? Can gathering together in Tehran a number of gravediggers, ruffians, professional mourners and candle thieves as Shi'ite and Sunni ulema or a number of mercenary club-wielding members of the party of satan be an inducement for unity? The true Shi'ite and Sunni ulema, who are under the usurping heels of Khomeyni's regime, do not dare voice opinions in the atmosphere of censorship. The religious leaders of the world have called the regime ruling in Iran a decadent, corrupt group, so such ridiculous and funny plays, which have not attracted one Iranian or even foreign Muslims, can only fool the ruling gang in Iran and the whole world.

However, the seed of terror that Khomeyni's regime has sown in Iran in the place of unity not only has no buyer but also has created hatred in all Muslims of the world. The filth taken to Jamaran as Sunni and Shi'ite ulema or the groups of infidels taken to the presence of the infamous imam are puppets who are at

every ceremony and are the leaders of every chant and slogan, such ridiculous shows and programs have no effect but to blow into wind the already soiled reputation of Khomeyni's regime.

If there is to be unity among Muslims of the world then the biggest causer of disunity, who has painted a portrait of blood, murder, cruelty and warmongering, should first of all be destroyed. If there were a degree of unity among the Muslim masses of the world before Khomeyni's blight, then his arrival in Iran and his usurping traits, the creation of division among Sunni and Shi'ite brothers as well as the bombing of Kurdish and Sunni areas have created a deep rift among Islamic nations and countries. The best example of this is Iran. Today, not only our Sunni brothers but all minority tribes and religious groups are under pressure and are refugees in their own land. Thousands of them have been murdered by Khomeyni's executioners. Khomeyni has created terror and not unity among Muslims.

CSO: 4640/120

WORKERS STRIKES, LABOR UNREST DISCUSSED

GF101756 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 10 Jan 82

[Text] As we informed our compatriots during our 6 January newscast, the increasing wave of workers strikes has engulfed all of Iran. The Islamic regime, which denied these reports earlier in the week, confessed on Friday that Iranian workers have gone on strike in many industrial complexes and production plants to object to the criminal actions of the Islamic regime. Iranian officeworkers have joined the factory workers by staging work slow-downs.

We have also received reports concerning barbaric attacks by the Islamic regime's guards against the combatant workers in an attempt to crush the workers and break the strikes. According to reports, over 11 workers have been killed.

Following these reports, the regime of Velayat-e Faqih announced that no one was killed when the guards attacked striking workers at the Iran National and General Motors Plants, Sarcheshmeh Copper Complex and Esfahan Steel Mill. According to the regime, 10 workers were arrested and another 10 fired.

The Mojahedin-e Khalq organization has announced that more than 2,000 Iranian workers have been arrested by the guards. Our correspondent reports that there are no accurate statistics of the number of workers who have been arrested. However, more than 300 Iranian officeworkers have been arrested in various cities. Our correspondent adds that Iranian students secretly distributed a communique last night announcing their unity with Iranian laborers and officeworkers in the fight against the usurping regime of mullahs. Other reports indicate that the physicians and Iranian nurses society has also prepared itself for an all-out struggle against Khomeyni's anti-Iranian regime. The society has issued a statement strongly objecting to the presence of armed guards in hospitals and their killing of the wounded. They have resorted to warning strikes in several hospitals. A Mojahedin-e Khalq spokesman in Paris has said: The regime of Velayat-e Faqih has executed three doctors who have been identified as Sadiq (Aqamsheh), Mohammad 'Ali Mohammadi and 'Ali Banan.

0000/120

SUGAR DISTRIBUTION RULES OUTLINED

Tehran SOBH-E AZADEGAN in Persian 16 Nov 81 [No page given]

[Article: "Production, Import and Delivery of Sugar and Lump Sugar to the Shopkeeper Was Announced"]

[Text] The director of the sugar organization, yesterday in a press conference, presented a 1 year report of the just distribution of lump sugar and sugar. He told the reporters that about 20,000 grocers at the national level are responsible for the distribution of sugar in the cities and that the rural cooperative networks are in charge of sugar distributed in the villages.

He added, "To pursue this, it was necessary to study the question of the just distribution of goods, in regards to consumption, to trade and industrial associations. In this way, the distribution of sugar products at the national level is just. In other words, the sugar which is delivered to the remote areas like the southern ports of the country or other faraway cities should be equal to the sugar distributed in the big cities. For this reason, after studies, in the first 6 months of the year, we embarked on an experimental project for different tradesmen and industries and this project is implemented at the present time. According to this project, the share of each factory is based on its existing workers. For example, in the case of confectioners at the national level, each worker will be provided with 250 kilos of sugar per month. This amount is the same in Tehran and other cities.

As a result, per capita production and the consumption of products like cookies, ice cream, candy, etc in Tehran has started to decrease while in the towns and remote places it gradually increased. According to this plan, sugar is distributed equally nationwide to all the associations, thus the consumption of such products in big cities decreased and in the remote areas it increased, and this is a kind of adjustment to regulate the consumption and share of the remote areas, in addition it regulates income.

Therefore, not only is attention paid to the fair distribution of direct shares but also to the indirect consumption of the people and as a result, per capita consumption has gradually been regulated. For example, the yearly per capita consumption has decreased from 65 kilos to around 45 kilos. Per capita consumption in Ilam has increased from 12 kilos to around 20 kilos and hopefully in the future, these figures will become closer to each other, but of course will

not become even since our industries are concentrated in Tehran, Esfahan and a few other cities. Their share in the form or product is distributed at the national level, but their sugar share is estimated at the provincial level and in any case it will attain the regulatory figure by the end of the year.

The director of the sugar organization pointed to savings in foreign currency and subsidies from the previous year and said, "For this purpose, we must compare two similar periods, one, 23 October 1979 - 21 November 1980, the period before rationing, and the period after rationing, 23 October 1970 - 21 November 1971. The actual sale during 23 October 1970 - 21 November 1971 has been 1.42 million tons, while the yearly consumption growth in the 4 years from 21 March 1976 - 20 March 1980 has been about 5 percent and if this growth is added to the actual sales figure of 1979-1980, had it not been for the just distribution of the products from 23 October 1980 to 21 November 1981, our sales would have reached 1.5 million tons. The net result of the saving in the goods ration during 1 year has been around 470,000 tons. This amount, from the view of foreign currency is equal to 700 million marks or 20 billion rials.

We have economized in regard to the ships which must carry goods to our points of entry. Thirty-five ships at 2 docks were constantly unloading during the year in the southern ports. We have tried to economize despite the difficulty of daily unloading 750 tons of sugar and also the use of 25,000 to 30,000 trucks to transport these goods to the warehouses.

The director of the sugar organization pointed to the government subsidy for sugar and said, "If it was not for sugar rationing this subsidy would be around 50 billion rials during the year 1980-1981 but the figure at the present time has decreased to 25 billion rials. He pointed to the amount of production and imports and said, Internal production in 1980-1981 has been around 600,000 tons and if it was not for the distribution system we would have had to supply 1.5 million tons of sugar which is equal to the consumption of 23 October 1980 - 21 November 1981. We would have had to import the difference which is around 900,000 tons of sugar. Imports, in regard to the sale of 23 October 1980 - 21 November 1981 which was 1,039,000 tons, has been around 430,000 tons. In other words, as a result of rationing, the import level in comparison with total imports has been reduced by more than 50 percent. At this time, sugar merchants are mainly from imperialist and capitalist countries and to achieve national self-sufficiency an effective step of not relying on outsiders has been taken.

About the problem of production he said, unfortunately production in the years 1979-1981 has not had a noticeable growth rate and the cause according to the organization's studies is directly related to the lack of balance in the strategy involving of agricultural products. For this reason, the price of each ton of sugar beets which was bought from the farmer in 1980-1981 for 400 tumans per ton, was increased to 500 tumans in 1981-1982 and in the year 1982 has increased to 600 tumans.

In addition, to encourage sugar beet growers, in exchange for each ton of sugar beets, each grower will receive 1 kilo of lump sugar at the wholesale price and 1 kilo fine and also, from the leftover pulp of the beets 15 kilos from each ton of 1 ton given to the farmer for use in feeding animals.

BRIEFS

MINISTRIES' BUDGETS--According to a report by the Central News Unit, the Supreme Economic Council, continuing its extraordinary sessions [word indistinct] the current and planned budgets of ministries, organizations and executive institutions for 1361 [21 March 1982-20 March 1983], this evening held a session chaired by Prime Minister Mir Hoseyn Musavi. In this session the budgets for the Ministry of Housing and Urban Development, the voice and vision of the Islamic Republic of Iran, the Ministry of Post, Telegraph and Telephone and the Ministry of Roads and Transport were reviewed and discussed. According to this report, the Supreme Economic Council last night after review and debates, approved the budgets for the Health Ministry, the Welfare Organization and the Ministry of National Guidance. [Text] [LD081910 Tehran Domestic Service in Persian 1630 GMT 8 Jan 82]

OIL SPECIALISTS IN LIBYA--According to a Central News Unit report, at the conclusion of today's session of the Council of Government Petroleum Minister Mr Gharazi said in an interview on the dispatch of Iranian specialist oil missions to Libya that we have extensive capabilities with regard to specialist and committed manpower with whom we could replace foreign experts in Libya in all technical fields concerned with oil. In certain areas our specialists have experience which might be unique, for instance, we have the best refinery specialists. He said that our specialists are also capable of installing the cheapest equipment and refining oil at the lowest prices, such is our technical capability in this phase. What a U.S. oil middleman sells at high prices our specialists are capable of preparing at the lowest prices. Mr Gharazi then said that our specialists themselves have announced they are going to Libya to tell the Libyan people that they will work in place of the U.S. experts. All the experience and expertise which the Italian nation has acquired in 90 years under pressure from Europe and the United States will be passed on to you within a year or two to that once you acquire such great capabilities you will no longer feel the need to pay blackmail to others. The Iranian petroleum minister added that the spirit of our brothers who are confronting problems with such selflessness and sincerity is praiseworthy and I hope that they will succeed in the best possible manner. [Text] [LD091138 Tehran Domestic Service in Persian 1030 GMT 9 Jan 82]

COOPERATION WITH TURKEY--In a statement to our correspondent today, [words indistinct] who is the assistant director of the Iranian Agriculture Ministry's animal husbandry department, explained the outcome of his visit to Turkey as a member of the Iranian economic delegation to that country. [Words indistinct] referred to his visits to Turkey's industrial and agricultural centers and added: We discussed the possibility of bilateral cooperation in the fields of agriculture, animal husbandry, [word indistinct], fishing and [words indistinct]. It has been decided that bilateral cooperation will begin at the conclusion of studies and [words indistinct]. [Text] [GF181312 Tehran International Service in Turkish 1830 GMT 17 Jan 82]

DPRK AMBASSADOR--According to the Central News Unit, the DPRK ambassador in Iran has met with the Energy Ministry undersecretary for water and discussed the building of dams, irrigation and other matters of interest to both countries. [passage indistinct] (It was agreed that Iranian experts should visit Korea to look into irrigation projects) and that such visits should be reciprocated by Korean experts. [Text] [GF111257 Tehran Domestic Service in Persian 1030 GMT 11 Jan 82]

PROSECUTOR MEETING--According to a Central News Unit report this morning Mr Rabbani-Amlashi, the country's prosecutor-general, met and conferred with ayatollahs Golpaygani and Montazeri in Qom. During these meetings discussions ranged over the situation in the public prosecutors' offices and in the country's prisons and then guidelines were issued by ayatollahs Golpaygani and Montazeri. According to the same report Hojjat ol-Eslam Ehsanbakhsh, the Friday imam of Rasht, with the Friday imams of Gilan Province, also met with Ayatollah Montazeri this morning. [Text] [LD131912 Tehran Domestic Service in Persian 1630 GMT 13 Jan 82]

DISTURBANCES REPORTED--According to a Central News Unit report, quoting reliable sources, an Iraqi Muslim serviceman killed a responsible police official in Baghdad called Thamer 'A' al-Razzaq and eight Iraqi officers, and he himself was martyred there and then. According to the same report on 11 January, during a clash between Iraqi Muslim strugglers and Saddam's security officials in the city of Sulaymaniyah, three security officials were killed. Also, on 9 January, as a result of a bomb explosion by Iraqi Muslim strugglers, an ammunition dump of Saddam's forces was blown up. [Text] [LD141752 Tehran Domestic Service in Persian 1630 GMT 14 Jan 82]

SYRIAN RELATIONS--It was said in Middle East political circles that the recent remarks by Syrian Foreign Minister 'Abd al-Halim Khaddam, that his government will not mediate between Iraq and the Islamic Republic means that efforts by Damascus to this effect have failed and that (?now), by announcing its decision not to mediate Syria intends to sever its relations with the Islamic Republic. Political observers state that the Syrian foreign minister's recent trip to the Persian Gulf countries was connected with the severance of the Damascus-Tehran relations since Arab countries believe that a joint Arab policy vis-a-vis Israel can only be followed when this is done. [Text] [NC141605 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 14 Jan 82]

GACHSARAN OIL INSTALLATION--A delegation from the joint staff of the armed forces of the Islamic Republic of Iran arrived in Gachsaran yesterday. It has been sent to review and inspect the safety of oil installations in Gachsaran. According to an IRNA report, this delegation has been invited by the safety unit of the Gachsaran Islamic Revolution Guard Corps stationed at the oil company and the preservation and relations bureau of the oil industry [as heard]. [Text] [GF151212 Shiraz Domestic Service in Persian 1500 GMT 14 Jan 82]

SABOTAGE NETWORK--Agencies have reported that the North Yemen Government has announced that an espionage and sabotage network formed of agents of Khomeyni's Islamic Republic has been discovered and neutralized. Baghdad newspapers, quoting the Iraqi state agency, wrote in their Wednesday issues that, following the discovery of the plot last month in Bahrain, North Yemeni officials have now revealed the existence of a plan to overthrow the present regime in San'a and have referred to leaders of Khomeyni's regime as the main engineers. World agencies have dispatched the Iraqi newspapers' reports to the entire world. [Text] [NC151054 (Clandestine) Voice of Iran in Persian 1805 GMT 14 Jan 82]

RAJAVI CONFESSION--(Kenneth) [name indistinct], a FINANCIAL TIMES correspondent, has written in a commentary quoting Mas'ud Rajavi that after the execution of 4,000 Mojahedin-e Khalq members and the arrest of between 12,000 and 14,000 other members, Mas'ud Rajavi now believes that (?his optimism on the rapid overthrow) of Khomeyni's regime was extremely (?wrong). According to [name indistinct], Mas'ud Rajavi now (?confesses that his organization) has not taken any steps to remove [words indistinct] among the youths so far. The British correspondent added in his report that Mohsen Reza'i, commander of the revolution guards corps, believes that contrary to claims by Hashemi-Rafsanjani, 90 percent of the regime's opponents (?remain). The correspondent said that the people of Iran now believe that the Islamic Republic (?will not lose) anymore and that with the increased slogans of "death to Khomeyni," (?future) clashes between opponents of the regime and Khomeyni's revolution guards are unavoidable. [Text] [NC161926 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 16 Jan 82]

FRENCH REPORT--Two French correspondents have written in a report published in the WEEKLY EXPRESS after traveling to Iran that while the leaders of the Islamic Republic were dying under the blows of Iranian combatants, the Mojahedin-e Khalq was trying to force the entire nation to rebel but that the Mojahedin were defeated and the people did not reply positively to their call. According to the two French correspondents, an atmosphere of (?suspicion and rumormongering prevails throughout the country) and if the shah had 20,000 Savak agents, Khomeyni's Islamic Republic needs [words indistinct]. The EXPRESS report also stated that one cannot speak even in taxis or in the streets and that one cannot trust [words indistinct]. The French correspondents reported that a country that (?once was one of the largest oil producers in the world) [words indistinct] oil and fuel shortages, and the country's installations [words indistinct]. Under such conditions, Ahmad Khomeyni is showing a tendency toward Moscow and believes that the (?Soviet Government) [words indistinct] for the Islamic Revolution. The correspondents attributed this (?tendency) by Ahmad Khomeyni to his (?relationship) with Hojjat ol-Islam Kho'iniha, leader of the students following the imam's line. They added that many people believe that Kho'iniha is the Kremlin's main (?supporter) in Tehran. [Text] [NC161916 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 16 Jan 82]

SOVIET SATELLITE--Mehmet Erenkurt from Kayseri, Turkey, has written that he is listening to Tehran Radio broadcasts with a view to establishing the credibility of certain reports carried by the Turkish press. You say you would be pleased to hear from us. After wishing success from God to the Muslim community, you go on to say that one of the Turkish magazines reported that a Soviet delegation had arrived in Tehran to study the Islamic revolution in Iran. You also asked: What relation can a Soviet bloc country have with the Islamic revolution? Is Iran becoming a Soviet satellite? Our reply is in the form of a question: Do you believe that the arrival of a Soviet delegation in Tehran to study the Islamic revolution of Iran is part of a relationship that would turn into a Soviet satellite? The foreign policy pursued by the Islamic Republic is quite clear. Within this context, you will recall that the Soviets offered to sell arms to Iran because of the war. However, officials of the Islamic revolution, in complete adherence to the Iranian policy of neither East nor West, which has been realized at the cost of the blood of tens of thousands of martyrs, turned down this offer and went on to acquire the arms Iran needs from foreign sources although they were acquired at very high prices. Regards.[Text] [GF031324 Tehran International Service in Turkish 1830 GMT 1 Jan 82]

RULES ISSUED--Tehran, 31 Dec (AFP)--Music that "brings joy" is banned on Iranian television, and playing chess is wrong even if no bets are involved, Ayatollah Ruhollah Khomeyni ruled in KEYHAN newspaper today. The spiritual leader was replying to letters from Iranian citizens on religious issues affecting everyday life. Ayatollah Khomeyni ruled that it was morally permissible for women to drive, "providing they were veiled and respected other religious laws," and that young girls were right to go to school provided they followed the same rules. He added, however, that it was best to ask their father's permission. Going back to music, the ayatollah told his correspondent that there was nothing against "noises which one was not sure were really music." [Text] [NC311533 Paris AFP in English 1520 GMT 31 Dec 81]

SUNNI YOUTH MEETING--Addressing a group of Sunni youths with whom his eminence met today, ayatollah Montazeri said: I advise you youths, the future hope of our Islamic country, to be diligent in your studies if you are students. Specialize in certain subjects so you can help the country meet its needs and attain self-sufficiency. Ayatollah Montazeri urged the youths to redouble their efforts so it will be possible to do without foreign experts. Addressing the youths, he said: Be Muslims in your work and attach great importance to praying, fasting and Islamic teachings so you will become both experts and committed Muslims. In this regard, His Eminence stressed: If faith and specialization are merged, we will not be subjugated by the superpowers and will not submit to their hegemony. [Text] [GF091330 Tehran International Service in Arabic 1230 GMT 9 Jan 82]

OIL PRICES--Amir Husayn (Sepahban), representative of the Islamic Republic of Iran in the OPEC experts committee [word indistinct] of the long term strategy, today announced that Iran demands an annual increase of between 6 and 8 percent on the real prices of petroleum. He added that Iran presented a proposal to OPEC suggesting that about 10 percent of the increase resulting from the rise in oil prices be allocated to the developing countries in order to help them avert the negative effects of a rise in prices. [Text] [GF111625 Tehran International Service in Arabic 1430 GMT 11 Jan 82]

BAZARGAN REJECTS KHOMEYNI OFFER--An Iranian opposition leader in London has revealed that Khomeyni has asked Dr Bazargan, who was prime minister at the beginning of the Khomeyni regime, to return to the government and promised to make him his right arm and give him a veto right inside the cabinet. The source told AL-DUSTUR that Bazargan turned down Khomeyni's offer, preferring to stay out of the government in protest against the deteriorating situation resulting from the Khomeyni regime's practices. The source said that Khomeyni tried to get Bazargan back because of his own isolation, the increasing opposition at home and abroad, and his failing health. [Text] [PM131459 London AL-DUSTUR in Arabic 11 Jan 82 p 13]

UNITY WEEK CELEBRATION--The unity week seminar was held in New Delhi yesterday for the fourth day with the participation of representatives from Indonesia, Bangladesh and the Moro National Liberation Front in the Philippines. The representative from Indonesia expressed his support for the unity call made by

Ayatollah Montazeri. He stressed his backing for the Islamic revolution and explained the position Muslims in his country have adopted toward this glorious Islamic revolution. Rashid Hussain, the Bangladesh representative at the seminar, noted that Muslims in Bangladesh support the Islamic revolution in Iran in the hope that this revolution will spread to oppressed countries throughout the world. The representative of the Moro National Liberation Front said that it is now obvious to Muslims throughout the world that Iran is the only Muslim country that is defending the goals of the (?nations) of the world despite all the problems and difficulties it faces. Representatives from other Indian cities (?expressed) the feelings Muslims in these cities have toward the glorious Islamic revolution in Iran and its leader, Imam Khomeyni. [Text] [GF131218 Tehran International Service in Arabic 0900 GMT 13 Jan 82]

SAUDIS TO RECOGNIZE ISRAEL--The Saudi regime has announced again that, under certain conditions, it will officially recognize the Zionist entity. The foreign affairs minister of the Saudi regime has announced Saudi readiness to recognize the Zionist entity if it will accept Saudi peace conditions. According to reports, the United States sent six F-15's to Saudi Arabia yesterday. The Saudi regime has purchased these planes from the United States. [Text] [GF160517 Tehran International Service in Arabic 2000 GMT 15 Jan 82]

COUNTERREVOLUTIONARIES INTERVIEWED--10 Jan (IRNA)--Three members of the Central Committee of the Munafiqeen (MKO) [Mojahedin-e Khalq] in an interview broadcast by the Iranian television on Saturday night, confessed to another part of the crimes and anti-Islamic functions of the MKO in the post-revolutionary period. The three, Mokarram Dust, Hamid Mehdi Shirazi and Mehdi Bokharai presented analyses on the criminal functions of the MKO and on the deviated policy of the organization as well as its connection with the fugitive Bani-Sadr (ex-president of Iran). While repenting of their past acts the MKO members urged other MKO advocates and members who had not yet been repented, to discontinue their counterrevolutionary activities and return to the embrace of Islam and the nation before being arrested. Mehdi Bikhari, along with two other members of the MKO Central Committee, was executed on December 27th [date as received] after being found guilty of complicity in the June 28th bombing of the Islamic Republic Party [IRP] headquarters in Tehran, martyring more than 72 government officials, including the former chief justice Ayatollah Beheshti. Other counts on which they were convicted also included. Stealing weapons and munitions for the MKO, participating in helping criminal leaders of the MKO escape, participating in the decision to declare an insurrection against the Islamic Republic, stealing government documents of the former and present regimes, and making grenades for sabotage and assassinations. [Text] [LD111144 Tehran IRNA in English 1043 GMT 11 Jan 82]

TEHRAN ATTACK--Tehran, 12 Jan (AFP)--Iranian deputy minister for industry and mining, Hasan Monafred, was wounded in a shooting attack here last night, the daily ISLAMIC REPUBLIC reported today. Mr Monafred was shot in the shoulk (?shoulder by) two attackers on a motorcycle, the newspaper said. His condition was "satisfactory." "The presence of people at the scene forced the terrorists to flee," the report added. On Sunday armed attackers wounded Hojjat ol-Eslam Mohammad Khamene'i, brother of Iranian President 'Ali Khamene'i, in a Tehran street. [Text] [NC120807 Paris AFP in English 0754 GMT 12 Jan 82]

SAUDI OIL PRICING--Tehran, 11 Jan (IRNA)--A high ranking oil ministry official in Tehran today said Iran has proved the falsehood of the claims of the Saudi Government for adjusting oil prices yearly for compensating for overall inflation in the industrial countries, and countering inflation in imported goods from the industrial countries to the OPEC member countries. Amir Hassan Sepahban, advisor to the international relations department of the oil ministry, said in a speech at the ministry today that based on factual and scientific analysis, the Iranian Oil Ministry has shown that oil prices should be adjusted on the basis of the imported inflation in the customs of the OPEC member countries, and not on the basis of inflation in the industrial countries, since the larger segment of the exported goods of the industrial countries are used only within the industrial countries, and that they sell their export goods to the non-industrial countries at higher rates. He said Iran had also proved the falsity of the second part of the Saudi oil-sale doctrine as lacking any scientific basis, since the (proposed Saudi doctrine) was not implemented at a time the industrial countries had a growth rate of 15 percent, so this formula could hardly be followed at a time that the growth rate in those countries had reached its climax (about one to three percent) and might even be below zero in certain countries. The Iranian oil official noted that Iranian experts have reviewed and judiciously analysed economic and pricing systems for depletable enemy resources and have concluded that oil prices should be prorated on the basis of the realistic rate of return on investment in industrial sectors other than oil. [Text] [LD121100 Tehran IRNA in English 0936 GMT 12 Jan 82]

IRANIAN, LIBYAN OIL PROTOCOL--According to an IRNA report, the National Libyan Oil Company and the National Iranian Oil Company signed a protocol on the expansion of technical cooperation in Tripoli yesterday. Mr Hashemi, Iranian industries minister, together with a 20-member delegation arrived in Istanbul yesterday in order to discuss the possibility of the expansion of economic cooperation between Turkey and Iran. [Text] [LD131738 Tehran Domestic Service in Persian 1630 GMT 13 Jan 82]

TURKISH MEDIATION DENIED--Tehran, 16 Jan (AFP)--An Iranian Foreign Ministry spokesman today denied a report in an Ankara newspaper that Turkish mediation would be welcomed by Iran to end the war with Iraq. Spokesman 'Alavi Tabataba'i told AGENCE FRANCE-PRESSE that there was no basis for the report in the newspaper MILLIYET that Iranian Minister for Industry Mostafa Hashemi during his current visit to Ankara had spoken in favour of a Turkish peace initiative. Mr Hashemi denied having indicated anything of the kind, he said. "We will accept no pressure or mediation," the spokesman summed up. "Our people are for peace, but they will fight aggression to the bitter end." Commenting on reports in the

international press of possible mediation in the Iran-Iraq conflict by Syria, Kuwait, Algeria, or Turkey, he charged that "in their daily announcements of mediation by one country or another, news agencies are seeking to sap the strength of our fighting men at the front." Meanwhile, the government party newspaper ISLAMIC REPUBLIC reported today that 209 prisoners had been amnestied in the holy city of Qom, 150 kms (90 miles) south of here on the occasion of yesterday's anniversary of the birth of the prophet Mohammed. "These prisoners, eight of whom belonged to (opposition) splinter groups, have taken short courses in ideology," the newspaper said, adding that they had "thanked justice authorities and the revolutionary guards, declaring their willingness to serve the ideals of Islam and help to safeguard the assets of the revolution." The measure brings the total of prisoners amnestied on the occasion of Mohammed's birthday to 426: on Thursday 217 amnesties were announced--86 for political prisoners and 47 for prisoners of war. [Text] [NC161129 Paris AFP in English 1123 GMT 16 Jan 82]

'UNITY WEEK' INITIATED--Tehran, 18 Jan (IRNA)--The observance of unity week initiated by the prominent religious scholar, Ayatollah Montazeri, had foiled U.S. plots to sow discord among Muslims, according to the Iranian Islamic guidance minister, Ma'adikhah speaking in a short interview with IRNA today. Ma'adikhah, while announcing his viewpoints on unity week, hoped that next year, a seminar would be held with the attendance of top ranking Ulema to implement the principle issues of unity. Reflecting on the effect of unity week inside and outside the country, Ma'adikhah remarked that this initiation was welcomed by Muslims everywhere and was fully supported by Islamic personalities and Ulema. He added that in as much as that the logic of the Islamic Republic is the logic of fulfilling duties, any action which would be to the interest of Islam and Muslims, would be taken at the earliest possible time. Concerning the role of the mass media in the global reflection of unity week, Ma'adikhah stated that since the speed of the revolution was quite fast and since the revolutionary forces exerted their utmost effort, the information channels of Iran had tried their best in this matter, but still it had not been as successful as expected. [Text] [LD181132 Tehran IRNA in English 1055 GMT 18 Jan 82]

CSO: 4600/183

GROWTH OF INDUSTRIAL EXPORTS NOTED

Beirut THE ARAB WORLD WEEKLY in English 12 Dec 81 pp 19-20

[Text] A close look at the Jordanian domestic exports data reveals a trend in significant implications, namely, the growing value of industrial exports, according to analytic report published last week by the English-language daily JORDAN TIMES.

Over the last five years, manufactured goods exports increased by four times, meanwhile, phosphates exports increased by 150 per cent. Further noted observers, it is expected that two of the large Jordanian industries will start their operations in the coming two years. These industries that focus on potash and fertilised plants, will boost considerably Jordan's export earnings, added the analysts.

On the other hand, the growing export earnings of Jordan's industries can be assessed from various angles.

First, Jordan has entered a new phase where [industry] has become a leading factor in its economic and social development. Since Jordan's market is relatively small, local industries have been efficient enough to compete in outside markets of which Iraq, Saudi Arabia and Syria rank highest. Exports to Iraq alone jumped from JD 2.3 million in 1976 to JD 28.3 million in 1980.

Second, it is well known that production for exports is much more difficult than production for domestic consumption. Domestic market can be influenced to a greater extent than the external ones. According to the report, present economic literature provides sufficient arguments for extending full or at least reasonable protection to local infant industries from the competitive imports.

Analysts indicate that it is interesting to note that in the actual phase of industrial growth small and medium size industries that have been recently established, have ventured to export at a relatively early age. Others have been induced primarily by the opening of the external markets.

Though figures for 1981 exports are not yet available, it is expected that the rate of export growth will not be less than 25 per cent in the field of

industrial goods. This promising transformation should be carefully studied and followed up by the public and private institutions concerned. In particular, a number of bottleneck might crop up what may require eventually that proper action be taken.

Export markets, especially for manufactured goods, should be treated with the utmost care. The aim is to build credibility and confidence in the quality of products delivery schedules and at a later stage, the after sale.

Since foreign markets are volatile, the question arises of how to initiate publicity campaigns, advertising and marketing studies. What would be the best approach of contracting the foreign market? Analysts question the efficiency of sales offices abroad as well as the efficiency of commission agents. The answers to these questions they say, must be sought through seminars and specialised orientation programs.

They add that the experience of certain newly-industrialised countries such as, Singapore, Hong Kong and South Korea should be made use of. Finally, Jordan needs an explicit and dynamic policy to promote such activities and establish them on firm grounds.

CSO: 4400/109

SAUDI LOANS FOR INDUSTRIAL FACILITIES, WATER PROJECT

Beirut THE ARAB WORLD WEEKLY in English 12 Dec 81 pp 17-18

[Text] The Saudi Arabian Government granted last week Jordan two loans totalling more than 47 million dollars. The loans signed by Saudi Arabian Finance and National Economy Minister Mohammed Abal Khail, will be used in financing industrial port facilities at Aqaba and a drinking water project for Amman.

The Saudi Development Fund, whose board of directors is chaired by Sheikh Abal Khail, will contribute Saudi Riyals 61.25 million (about 18 million dollars) to the \$124.5 million Aqaba project, and SR 100.5 million (about \$29.4 million) to the 180 million dollars Amman water project.

The Aqaba project includes the construction of a 200 meter long, 40-meter wide dock of Jordan's only outlet to the sea in the south, while the Amman project entails bringing 45 million cubic meters of water a year to the Jordanian capital.

The aim of the Aqaba industrial project is to [be] utilized in the service of the phosphates and potash fertilizers projects and the Aqaba industrial-area. Two 150 ton warehouses will be established for potash as part of the project. The port project will be implemented by the Ports Corporation and is expected to be completed by March 1983.

On the other hand, the Amman water project includes the instalations of major pipelines and a tank, as well as installing five pumping stations and a water treating station and a dual line for transferring electricity. The Jordan Valley Authority will implement the project and is expected to complete it by January 1984.

The signing of the agreements took place during a meeting at the National Planning Council headed by Finance Minister Salem Masa'deh from the Jordanian side and the Saudi representative. Both men discussed relations between the two countries and ways to develop them.

CSO: 4400/109

JORDAN

BRIEFS

JOURNALISTS BOYCOTT THEIR ASSOCIATION--Amman--The press foundations of al-Dustur, al-Ra'y, al-Liwa', Akhbar al-Ushu', al-Sahafi, JORDAN TIMES, al-Bayt al-'Arabi, al-Ufuq al-Iqtisadi and Faris as well as the journalists working in them and in the Arab and foreign news agencies have decided to suspend participation in the Jordanian Journalists Association, including participation in this association's elections, until the issuance of legislation regulating the association's affairs on sound bases guaranteeing the interests of the press, journalists and public welfare. A detailed memorandum has been sent to the prime minister, the ministers of information and interior and the Doyen of journalists. [Text] [JN141212 Amman AL-RA'Y in Arabic 14 Jan 82 p 1]

CSO: 4404/212

NATION'S POLICY TOWARD SOCIALIST CAMP EXAMINED

London AL-HAWADITH in Arabic No 1300,2 Oct 81 p 25

[Article by Sulayman al-Furzuli: "The Road to the Gulf Leads Through the Balkans!"]

[Text] The journey made by the Amir of Kuwait, Shaykh Jabir al-Ahmad al-Jabir al-Sabah, in the Balkan countries has been one of the important moves made by the Arabs under present-day circumstances. It has been no less important than the journey made by Col Qadhdhafi in the Middle East itself, although it was on a smaller scale. The Amir of Kuwait visited Turkey and the non-Muslim nations which used to make up part of the Ottoman Empire and were then known as "Rumelia." Thus those countries used to have close ties to the Arab regions until the dissolution of the Ottoman Empire after World War I.

Renewing Arab ties with the Balkan countries is something which has its merits and significance, but it is also something which is potentially dangerous. This is shown by the fact that World War I broke out because the Germans wanted to reach the Persian Gulf via the Balkans (the Berlin to Baghdad railroad). It was in the Balkan countries where the war began. These Balkan countries, recently visited by the Amir of Kuwait, are to a large extent within the orbit of the Soviet Union--a nation which is accused by the Western nations and their friends in the Arabian Peninsula of having its eye on the Gulf. This is why we are seeing deployment of military bases, the establishment of political alliances, and the creation of the Rapid Deployment Forces--all of which is being done to keep the Gulf secure from Soviet encroachment!

There are those who say that Shaykh Jabir's visit to the areas adjacent to the Soviet Union means that Kuwait has already thrown a sacrificial lamb in the lap of the advancing giant, or [has said], in the words of an Arab ambassador in London: "This is your share, so go ahead and take it"! It is no accident, they say, that Kuwait is the only nation in the Gulf Cooperation Council [GCC] which maintains full relations with the Eastern bloc whereas the other nations [in the GCC] do not even recognize the Soviet Union! The fact that Kuwait, in the matter of relations with the socialist countries, pursues a policy which is different from the other GCC nations is attributed by some people to the fact that the Sabah dynasty is clever, astute, knows which way the winds are blowing, and has an instinctive feeling with regard to its own interests and the interests of Kuwait. Other people see this situation as being the result of compelling reasons and circumstances by virtue of the fact that Kuwait is subject to pressures from all sides.

There is no doubt that the Kuwaitis, in this particular point, differ from the other GCC nations. The Sultanate of Oman, for example, is waging a war which is sometimes open and sometimes silent with South Yemen, which is the Soviets' way station in the southern part of the Arabian Peninsula. Kuwait, however, maintains good relations with South Yemen and offers it aid and goes out of its way to spoil it. The Amir of Kuwait has visited South Yemen, but has yet to visit some of the other nations in the GCC. Kuwait's theory concerning this matter is that it is better for Arab interests, and for the interests of the Gulf nations in particular, to win over the extremists and be generous to them, and thereby decrease the danger which they represent!

There is one opinion which maintains that the other nations of the GCC are really happy about the role which Kuwait is playing. According to this opinion, these nations implicitly consider this policy to be their own policy toward the Eastern bloc with which they do not openly maintain relations, and thus this constitutes a type of division of labor. In other words Kuwait, with its orientation toward the Soviet Union, is representing the entire Gulf and is the ambassador of the Gulf nations to the "land of the Great [Russian] Bear." In other words, it is the smallest of ambassadors to the largest of giants! In any case, this opinion is more likely than the opinion that states that Kuwait has received threats from some of the extremist Arab nations which were thereby forcing Kuwait to follow this policy. This opinion is held in view of what is being said about one of these nations being responsible for the recent explosions which occurred in Kuwait City, and perhaps also responsible for the fire in al-Shu'aybah!

Nevertheless, this latter opinion cannot be discounted. The Amir of Kuwait himself, although he has not mentioned any threats of this sort, did say that there are "people with misgivings," and that the journey of "peace and cooperation" which he undertook in the Balkan countries was a response to those people with misgivings! He also said: "The trip will cause some trouble for us, but we will not alter our principles." Kuwait has already gotten used to living with trouble since "along with every tasty morsel there is a bite which is painful to swallow." It seems that the Kuwaiti authorities have already weighed the troubles which will afflict them because of this policy against the troubles which would afflict them if they followed the other policy, and the result has been that they have chosen the policy which they believe will provide a better guarantee for them in the long run.

However, the division of labor theory is the one which remains the most likely one in our world with its intermeshing forces. Kuwait does not have differences with Saudi Arabia, nor is it different from Saudi Arabia. The difference in policy pursued by these two countries has always been in the interest of both parties. Kuwait acts as a "sponge" which absorbs leftist extremism, and Saudi Arabia plays the role of protecting Kuwait from rightist extremism. It is possible to explain many things within this framework. For example, this explains the fact that the Amir of Kuwait called upon the GCC nations to recognize the socialist nations and establish normal relations with them, whereas the Saudi monarch, King Khalid, during the fiftieth (golden) anniversary of the establishment of the Kingdom of Saudi Arabia, put "communism and atheism" at the top of his list of enemies and dangers!

Kuwait also does not approve of communism and atheism. The Amir of Kuwait, after returning from Belgrade, his last stop in the Balkan Peninsula, emphasized that

Kuwait is immune to this danger--which he described as being one of imported ideas. Kuwait's immunity in this regard does not differ from the immunity of the other GCC nations. This immunity, according to the Amir, consists of "our True Faith, social traditions, and family solidarity which constitute a wall which prevents the penetration of such ideas." But the Amir of Kuwait also has his eye on the balance of forces in the international arena, bearing in mind that the real danger is that this balance of forces could be upset. This is why he appealed to the GCC nations to establish relations with the nations of the socialist camp "within the framework of a balance between the East and West."

Kuwait's minister of foreign affairs, Shaykh Sabah al-Ahmad, the Amir's brother, has taken a critical position toward the U.S. policy which aims at the establishment of military bases in the Gulf area and setting up of the Rapid Deployment Forces under the motto of defending the Gulf. He recently stated this opinion during an interview which was broadcast over British television. Shaykh Sabah does not feel that there is any imminent Soviet danger which calls for such military bases and forces. When his interviewer said that these U.S. forces were for his protection, he replied in amazement: "To protect us from whom? The danger is that such a U.S. presence would draw another presence into the area." As proof of its adherence to the principle of non-alignment, Kuwait regards Yugoslavia as being a nation of special importance. Tal'at al-Ghusayn, Kuwait's ambassador in Belgrade, says that the Amir personally looks after Kuwaiti-Yugoslav relations and that this Kuwaiti interest in Yugoslavia is nothing new. It reached its high point with the visit of the Yugoslav chief of state, the late Marshal Tito, to Kuwait at the beginning of February 1979. He says that, with the exception of the Arab nations, Yugoslavia is paramount in importance as far as Kuwait is concerned. The political aspect of the recent visit of the Amir of Kuwait to Yugoslavia was more prominent than were the other aspects of the visit. For example, no new agreements were reached in the economic realm. The only agreement of this sort that was made concerned putting into practice the articles of agreements previously ratified that were earmarked for being implemented. Kuwaiti sources say that the Amir's discussions with the Yugoslav chief of state were lengthy and that all topics were touched upon in a frank manner. This was especially true with regard to the initiatives which have been proposed for solving the Middle East crisis and the Palestinian question. The Kuwaitis sensed that the Yugoslavs were particularly interested in the Lebanese situation, but that they felt that the solution to the Lebanese problem was linked to solving the Middle East crisis [as a whole]. The visit to Yugoslavia did not raise as many questions as did the visit to Romania. This is something which would be true not only of Kuwait or of its Amir, but would also be true of any Arab who visits Bucharest and meets with Nicolae Ceausescu. The reason for this is that Ceausescu represents the principal center of detente in the world. He represents detente between the East and West, between the Arabs and Israel, and between Israel and the socialist camp. If Yugoslavia is of special importance, and has benefited from this since the days of Tito, it is also true that Romania is a nation of special significance. The Romanian chief of state sometimes undertakes the role of "mailman" or "carrier of love letters." Sometimes Romania also plays the role of switchboard, makes telephone connections, and its lines are not cut off with anybody. Everybody knows the role which Ceausescu has played, and still plays, in the Middle East crisis. It would be said that if anyone wants to communicate a message to a given party with whom he has open political differences or if he does not want the world to know that he is sending the message, then only Ceausescu is his man. They say that the message will arrive and that the secret will be kept and closely guarded! This is why the Romanian

leader receives the visits of government figures who appear to be in open conflict with each other. They include, for example, Anwar al-Sadat, Yasir 'Arafat, Hafiz al-Asad, Mu'ammarr al-Qadhdhafi, Shaykh Jabir al-Ahmad, former U.S. President Nixon, and previous and subsequent government leaders and leaders of the opposition in Israel.

When Mrs Thatcher, the British prime minister, stopped in Kuwait--a nation which she had not visited during her previous trip to the Gulf--it appeared to her that the Kuwaitis had learned a lesson from the British which the British themselves no longer knew!

9468

CSO: 4404/41

GAS SHORTAGE CITED

London AL-HAWADITH in Arabic No 1300, 2 Oct 81 p 46

[Article: "Gas Crisis in Kuwait Because of the Great Decline in Oil Production"]

[Text] Kuwait--Economic circles in the Gulf area now are saying that Kuwait is suffering from a gas crisis. They are saying that Kuwait nowadays is importing half of its needs in terms of gas. They are also saying that this gas primarily comes from Saudi Arabia, Australia, and from other markets which have this material in abundance.

Kuwait is suffering from a shortage in gas because of the decline in Kuwaiti oil production to very low levels. The result has been that the associated gas produced is no longer sufficient for local consumption. Kuwait's gas consumption, both for industrial and home use, is considerable. So far Kuwait, unlike nations such as Qatar and the UAE, has not discovered any gas fields independent of oil fields. For its gas needs Kuwait depends on the associated gas which is extracted.

It is possible to calculate the decline in gas production by calculating the decline in oil production. Oil production has declined to a level of 600,000 barrels a day and the Kuwaiti government has set a ceiling on production which is 1.25 million barrels a day, that is, half the amount that was produced 2 years ago.

This production has declined because some of Kuwait's customers have stopped buying Kuwaiti oil. This occurred due to the oil glut in the world markets and because some customers decreased the quantities which they promised to buy in contracts concluded with the government of Kuwait--particularly Japan, which has demanded, and is still demanding, a decrease in the price of oil and elimination of the oil surcharges.

The latest development in the realm of oil surcharges is the fact that Kuwait has offered to Japan a decrease in its oil surcharges to the tune of \$1.75 a barrel, the result being that the surcharges would become \$4.25 a barrel. However, Japan has still not responded to this offer. The Japanese are not content with demanding the definite elimination of oil surcharges. They are also demanding that the Kuwaiti government return to them the surcharges which they have been paying since the beginning of this year--approximately \$500 million. This is something which Kuwait has refused to do!

It may seem strange to be talking about a gas crisis in Kuwait. Kuwait was the first country to set up gas liquefaction plants in the Middle East. These plants cost a

total of several billion dollars, and in addition to this the fleet of ships necessary to transport liquid gas is considered to be relatively large, costing more than \$300 million. What happened to this fleet? Some officials are saying that these transports, at the present time, are being rented out to others under contract. However, they are returning to Kuwait, loaded with gas which the Kuwaitis are buying from abroad!

Economic circles are saying that Kuwaiti plants and factories have been set up on the basis of a long-range strategy theory which takes such circumstances into consideration. In the opinion of these economic circles, what this means is that the huge vital plants which Kuwait has set up, and which operate by using gas, can easily be converted into plants which can use some other fuel. But this still does not negate the fact that Kuwait is importing gas from Australia and Saudi Arabia!

In addition to this, the fire in the refineries in al-Shu'aybah during the middle of last month entailed consequences which could have been avoided. The fire occurred in eight warehouses which were full of naphtha. The next day after the outbreak of the huge fire--which was considered to be the first and most dangerous of its type in the region--rumors were going around saying that a decision had already officially been taken to quickly evacuate the approximately 200,000 residents of the area of al-Ahmadi (Kuwait's petroleum city), al-Fuhayhil, and al-Shu'aybah for fear that the fire would spread to three large warehouses near the site of the fire which contain poisonous ammonia.

It was mentioned that there was great difficulty in emptying these warehouses of their contents because there were no transports and ships on which to load the contents. But destiny played a humane role in this affair. The wind, which was blowing the flame and smoke away from the location of the warehouses with the ammonia, never changed direction. Such stability in wind direction is something which is uncommon in Kuwait. As we know, the climate [in Kuwait] changes quickly and does so every day. But the wind did not change during the entire time of the fire, which lasted more than 6 days. The authorities, with great alarm and concern, were keeping track of the direction of the wind. They considered the fire secondary in importance [to the wind direction] as far as the three warehouses were concerned because of their fear that the fire would spread to the warehouses full of the dangerous substance and possibly cause a great human disaster.

Losses resulting from the fire have been mentioned recently, and the estimates of these losses differ. Some people have estimated the losses as totalling \$30 million, official agencies have refused to comment on these losses so that this will not affect discussions going on with the international insurance companies which must pay the lion's share of the compensations which Kuwait is demanding. But informed Kuwaiti sources have told AL-HAWADITH that the costs are estimated at \$100 million. This is in addition to losses incurred by the fact that the refinery has been out of operation. Right now comprehensive inspections are being conducted of the various parts of the refinery in preparation for restoring it to operation. According to the estimates of these sources, the amount of time which technicians will need to put the refinery back into operation will be 3 months.

CUSTOMS REVENUES FOR 1981 REPORTED

Beirut THE ARAB WORLD WEEKLY in English 12 Dec 81 p 18

[Text] Lebanese customs revenue for the first nine months of 1981 were the lowest they have ever been, according to figures compiled by the Beirut independent daily AL-NAHAR last week.

The figures reflect the fact that smuggling and lack of customs control the airport, the border posts and seaports have greatly limited these revenues, which are considered to be only 21 per cent of what they should have been.

The report said that customs revenues for the period January-September 1981 reached LL 316.9 million, as compared to 536.1 million for the same period last year--a decrease of 40.8 per cent. The average monthly revenue has been only LL 35.2 million, or approximately half of the projected customs revenues in the general budget.

The report underlined the significance of the security situation's impact on customs revenues: entry spots remote from the troubled areas witnessed an increase during the second quarter of the year.

The Port of Beirut brought 64.6 per cent of Lebanon's total customs revenues in 1980, but only 53.6 per cent so far this year. The first nine months of 1980 brought LL 347.7 million from the Beirut Port, while in 1981 it decreased by 51.1 per cent to only LL 169.9 million for the same nine month period.

The flow of income increased in Tripoli, North Lebanon, as well as in the ports of Junieh, central Lebanon, and Saida, South Lebanon, whenever Beirut and its immediate environs witnessed security problems. Comparative figures for October and November 1981 showed that customs revenues in November reached LL 41,094,417, an increase of 11.1 per cent over October which witnessed revenues totalling LL 36,990,548.

CSO: 4400/109

BRIEFS

MIDDLE EAST AIRLINE LOSSES--The chairman of the Lebanese Middle East Airlines company MEA, Mr Assad Nasr, announced last week the MEA's financial loss for 1981 will reach LL 120 million, the largest loss ever recorded by the company. He emphasises that the current volume of air traffic to and from Lebanon was only half of what it was in 1974, before the war started. He said this situation made difficult to negotiate for new traffic rights to New York and the Far East, since most agreements were based on reciprocal treatment and few foreign companies wish to resume flights from and to Beirut. [Text] [Beirut THE ARAB WORLD WEEKLY in English 12 Dec 81 p 18]

CSO: 4400/109

LIBYA

BRIEFS

TEN AIRBUSES PURCHASED--Libya is paying 700 million dollars for the 10 wide-bodied passenger jets it had ordered from European consortium Airbus Industrie, the London based publication Middle East Economic Digest (MEED) said. It said that Airbus chief executive Bernard Lathiere told it a down payment had been made. Airbus officials in France earlier announced the deal, in which Libyan Arab Airlines are to buy six A300-B4-200 jets and four a310s, but gave no financial details. [Text] [Beirut THE ARAB WORLD WEEKLY in English No 645, 5 Dec 81 p 8]

CSO: 4500/87

FAMILY SUBSISTENCE FARMING SEEN AS BEST BASE FOR AGRICULTURAL DEVELOPMENT

Casablanca LAMALIF in French No 130, Nov 81 pp 46-50

[Article by Abellah Ait Tihyaty: "Argument for Development of Family Subsistence Farming"]

[Text] The problems of agriculture, crucially highlighted by the drought that hit this year, remain, by nearly unanimous opinion, the ones that it is urgently and vitally important for the country to solve. On them, indeed, depends the fate of the other sectors of the economy, and they have immediate repercussions on the urban phenomenon, by the growing rate of the rural exodus. A. Ait Tihyati [as published] examines here the various solutions to these foreseeable problems, in the present context, and stresses in particular the advantages of a reform favoring family subsistence farming.

At all levels, it is unanimously noted that the agricultural sector is in crisis. The drought hitting this year has brought the problems of agriculture and of the rural world dramatically to the forefront. The national conference on the agricultural economy held in Marrakesh from 23 to 26 February also highlighted, though from differing points of view, this crisis that has immediate fallout on the whole of the economy.

In effect, the whole of the national economy lives by the rhythm of agricultural production. This situation is explained mainly by the size of the rural population (about 60 percent of the total population), which derives the essential part of its buying power from agricultural activity, and by the purchase of goods and services (intermediate consumption) by the agricultural and agroindustrial branches.

In reality, the insufficiencies of agricultural production have been manifested for several years, and the drought of the 1980-1981 agricultural season has given them a singularly disturbing dimension.

The evolution of several indicators, such as the increase in food-product imports, the stagnation and even regression of agricultural and agroindustrial exports, as well as the continuance of the rural exodus, show clearly that "Moroccan agriculture is sick." How has this situation come about?

The approach to agricultural development has been taken in a fragmentary or micro-sectorial manner. Measures have consequently been taken without prior verification

of their contradictory or competing character. Thus, for example, the "development" of agricultural production: the citrus plan, the early-vegetables plan, the fertilizer plan, the milk plan, the oil-seed plan, the viticulture plan, the poultry plan, the sugar plan, the fertilizer plan [as published], the seed plan, etc.

The same is true about the orientations consisting in:

- simultaneously developing export crops and crops intended for the population's basic food supply;
- encouraging agricultural mechanization, permitting the installation of agroindustrial units in the big cities and wanting to brake the rural exodus;
- concentrating the agricultural investments in the big hydroagricultural-development zones and hoping for production increase in the prairie land zones;
- requiring adherence to crop rotation without guaranteeing the prices and outlets for the production;
- favoring certain parts of the national territory in terms of communications equipment and infrastructure, economic and social projects, etc, and deploring the progressive human abandonment of the rest of the country.

The input of the technicians and specialists is, of course, indispensable for agricultural development, but it should come after determination of an overall strategy and not take the place of it.

The Present Model's Manifestations of Blockage

The process followed by Moroccan agriculture in its evolution since independence, and especially during the 1960's, appears less and less controlled. It shows more and more negative aspects and fewer successes. The population's food needs are increasing faster than agricultural production: Moroccan agriculture is carrying out its primary mission--that is, supplying the country with food products--more and more weakly. The same is true for agricultural employment and the rooting of the rural population: Moroccan agriculture has succeeded no better in its second mission--namely, providing jobs and retaining the rural youth.

The concentration of agricultural investment in a limited number of geographic zones (irrigated areas) has encouraged regional imbalances and has accentuated the decrease in production over a sizable part of the national territory (prairie, mountains, semiarid and arid zones), gradually abandoned by the working-age population. This amounts in a way to geographically polarized development, creating some islands of prosperity and consuming a lot of capital.

This model has favored the rise of an elite of agricultural operators who had to behave like capitalist producers. Indeed, the various forms of state encouragement (subsidies, credits, etc) have been granted essentially in function of the size of the landholding. The strongly dominant liberal-economy environment and the political clout granted to the big landowners in the countryside made possible the appearance of an agricultural lobby with strong representation in the Parliament and heading up the number of professional agricultural organizations that exist. This class of big "modern" agricultural operators should in principle have taken over from the state as the driving force of agrodevelopment. That is, they should have used the capital accumulated thanks to the state's support to self-finance their

investments and adopted capitalist-entrepreneur management capable of making them the pillars and animators of a market economy.

But it was noted, during the national conference on the agricultural economy, that the statements made by these agricultural operators reflects a distinctly less advanced situation. The bonds with the land have remained frenetic [as published]: it remains patrimony, property, far more than a simple factor of production.

And what is more serious, they maintain their position as beneficiaries of state aid, from which they demand more subsidies, more tax exemptions, more land and more profit-making situations, etc, and to which they refuse any financial contribution (increase in the agricultural tax). This behavior reflects a precapitalist attitude of short-term speculation rather than a truly capitalist tendency concerned about the necessity of a long-term strategy making it possible both to safeguard the private interests of this class and to accept the fiscal effort necessary for consolidation of the country's economy.

The small owners and the nonowners located in the development areas and outside them--that is, what could be called the rural masses--have undergone the effects of this development model, experiencing more:

--population increase:

The impoverishment of the vast majority of rural households is expressed mainly by the erosion of their buying power and the growing difficulties in achieving a decent standard of living.

Now the observations made in various countries (developed and Third World countries) make it possible to state that a high population growth rate is far more a consequence of poverty than a cause of it. Any rise in a population's standard of living produces a drop in its population growth rate. And any birth-control measure undertaken without simultaneous or prior improvement of the standard of living is doomed to failure.

--the socioeconomic destruction of rural households. Formerly, the rural way of life was characterized by a fundamental equilibrium between the production structure of the household (and of the douar) and the consumption structure. The proportion of home-grown production consumed was predominant in the family units' food supply. Commercial exchange involved the surplus, and dependence on outside products or manufactured products was relatively limited. The commercial economy gradually developed in the countryside during the colonial period and accelerated after independence, bolstered by the agricultural-development model established. The rural areas were thus opened up to the market economy; and such a situation is considered a development indicator by the international organisms responsible for financing the projects, and they have obtained the local decision-makers' agreement to that criterion of evaluation. As it happened, the rural household rapidly integrated with this market economy far more as consumers or customers than as producers or suppliers.

--the rural exodus and demobilization of the productive forces relegated to the sidelines. In the face of the evolution engendered by the polarized-development model, the agricultural populations who have not benefited from agricultural pro-

jects and therefore from the manna from the public authorities and who have grown accustomed to obtaining their supplies on the market have discovered that agricultural activity does not produce sufficient buying power. The monetary exchange between, on the one hand, agricultural production, and on the other, consumer goods and goods of industrial origin is too unequal. This inequality is explained by the low level of the prices for agricultural products as compared with manufactured products. This weakness in the buying power of agricultural activity turns the rural working population away from it and leads them to move away and seek wage-paid activities. This integrates them more tightly with the market economy, as a result of abandonment of production activity, which was a source of self-supply.

And thus one can understand the stagnation of production: while there has been an increase in production in the development areas, there has been, in parallel, a decrease of it outside the agricultural-development process, and industry has not been capable of offering a large enough number of jobs. There has therefore arisen a growing reserve of human resources who have consumption needs but do not effectively participate in production. And the employment opportunities for labor at the export-markets level have gradually closed. Thus one observes that the polarized-development model has transformed sizable human resources into an economically inert factor and thus an impediment to economic progress.

What Model of Agricultural Development?

The first phase, which is of prime importance, concerns determination of the role that the agricultural sector should assume in the process of socioeconomic development of the country. In the light of the updating of the demographic data for the country, the possibilities of food supply from outside, and the export-outlets situation for Moroccan products of agricultural origin, it appears obvious that the agriculture branch will have to aim at two fundamental objectives:

--giving the country total independence in its food supply--that is, adopting an agricultural-development model based on home-grown production for national consumption;

--rooting the rural population socially and economically by the creation of jobs and infrastructures in the rural milieu as a whole and not just in a limited number of agricultural-development areas. This will permit better utilization of human and natural resources with a view to increasing production over the whole of the national territory.

Of course, clear and concise formulation of the development objectives for the agricultural sector is absolutely of prime importance. It should be considered a preliminary to any thinking about the agricultural model.

To get a handle on the content of this model, it would be necessary first of all to evaluate the availability of the principal means that must be used for the agricultural-development process. A model can be defined as a combination of these means, which are assigned weighting coefficients reflecting the relative importance of each of them. But in reality, any model, or rather any form that these means take, is not either socially or politically or economically neutral.

Let us consider the agricultural-production means most commonly stated:

- the human resources;
- the pedohydric resources (soil plus water);
- capital.

The human resources can be considered the principal basis of the production process, notably from the angle of the rooting of the population in the whole of the rural space and from the angle of home-grown production for national consumption. But they can just as well be considered as a source of labor for industrialized agriculture that is concentrated and market-oriented.

As for the pedohydric resources, they can be considered either principally as a securing patrimony with land-ownership predominant, or rather as the everyday substrata of production, exploitation of which must be favored over any excessive sacralization of property rights. On the other hand, the agronomic evaluation may be such as to lead to a distinction between different zones of the country's territory in function of the "natural potentials" for production. And in such case, it could lead either to agricultural islands ("useful" regions) or to agriculture covering, in various forms, the whole of the rural space.

Capital, in the last 5 years, has been the rare resource in relation to the development needs of agriculture (if it were abundantly available, it is highly probable that there would be no talk about the "crisis of agriculture"). It indeed constitutes a powerful means for support and activation of the orientations of agricultural development, especially in a market-economy environment. And it can be asserted that the conditions and modalities of injection of public capital into the rural milieu have determined and strengthened the model of agricultural development polarized geographically in a limited number of zones and socially in the big land-owner classes.

It should be kept in mind also that recourse to external financing has classically a certain effect on the choice of the model of agricultural development. The foreign money-lenders agree to finance only the projects compatible with their concept of development. And behind the articulated argumentation on financial and economic profitability there actually lies a preference for development of commercial agriculture that uses manufactured production instruments. The aim pursued by way of this model of development is greater integration of the developing countries in international commercial exchange, which is essentially profitable to the industrialized economies of the Western world.

The Family-Agriculture Model

These considerations on the principal resources necessary for agricultural development enable one to begin thinking about the model of agricultural development.

On the basis of the human resources, which are abundant (as well as the technical competencies), the land and water resources, which are relatively abundant and can be developed, and the capital, which is scarce (in relation to the agricultural and agroindustrial investment and operating needs), the specific form of the development model could be family subsistence farming. But this type of agriculture, based on the human resources, has to be protected against inequality of exchange with the other branches of the economy. Success will depend not on slogans, no matter how "mobilizing" they may be, but rather, and especially, on the standard of

living that it will provide for the families who practice it. And from the point of view of profitability for the national collectivity, the small family farming operation that uses a considerable amount of labor, supplies the family unit with foodstuffs and markets its surplus production is economically and socially profitable. And within this framework, public financial support and the allocation of state lands could be used to increase and develop the small family agricultural-production units intended for ensuring the country's food-supply security. This model has succeeded well in different countries and under very diverse economic and political ideologies. And if the small family holding is not being given all grounds for hope, notably in the case of certain land-distribution in Morocco, the failure is not the fault of the model as such. In reality, the preparation and carrying-out of these distributions, as well as the abrupt insertion of these micro-operations into the market economy and the improvisation of their organization into cooperatives, largely explain the insufficiencies observed during the first years of operations.

What other ways appear to be offered at present? Mobilization of new resources, in terms of capital, by the state? At a time when the agricultural sector's participation in taxation is insignificant (the big owners say it is impossible for them to make any effort if the state does not grant them more subsidies and tax exemptions), where will these resources be found without depriving the country's other economic and social sectors of them even more dramatically?

There remains, therefore, recourse to foreign financing.

Now it seems that the Western approach presents certain limits, in view of the large amount of credits already granted and also the fact that most of the Western capitalist economies are presently going through structural crises that require sizable financial efforts for their sectorial restructuring. What about an inter-Arab approach, then, that would join Morocco with the oil countries of the Middle East? One can effectively perceive a complementarity between Morocco and certain Arab oil countries such as Saudi Arabia, Kuwait, the Arab Emirates, etc. Indeed, Morocco does offer considerable human and hydro-pedological resources. And if these oil countries have limited populations and agricultural potentials, they have, on the other hand, sizable financial means. This complementarity could be exploited to the advantage of all of these partners in a geopolitical approach that could possibly have a broader content than the agro-foodstuffs sphere. But such a solution obviously appears to have little chance of being carried out as yet. There would thus remain state encouragement of the formation of large capitalist agro-industrial units.

The size of such a unit would encompass several irrigation sectors (several thousand hectares). The land base would be composed of state lands, and capital would serve to finance the infrastructure, the operations and the processing of this production. The state land contribution in association with private capital in the mixed agroindustrial companies would therefore constitute the framework of this new model of agricultural and agroindustrial investment. Such a high concentration of land resources and capital, carrying on market agriculture and aimed at financial profitability through capitalist management is found in the "agribusiness" model that prevails in North America and in certain countries of South America. Indeed, this model functions by way of industrializing the conditions and the process of agricultural production (heavy use of inputs and vertical integration). This model would have a certain political character, since ownership of the land would undergo

changes (privatization of state lands). On the other hand, it would introduce a truly capitalist agriculture which the big local landowners have not yet achieved, at least in their behavior vis-a-vis the state. To what extent could this model solve the problems of the agroalimentary development of the country? The orientation that agricultural production would take in these big operations is decisive: if emphasis is placed on the export crops instead of food crops, there would obviously be no progress toward the country's food-supply independence. As regards employment in the rural milieu, many observations show that land concentration and capitalization of agricultural and agroindustrial production are accompanied by diversified and sophisticated mechanization that reduces the use of labor to the strict minimum.

Finally, it should be kept in mind that the experience of the agricultural-development model followed to date has produced concentration of public efforts in a limited number of zones (irrigated areas), to the detriment of the vast bulk of the agricultural space. The "agribusiness" model would present the risk of giving rise to superpoles of prosperity that would be humanly and geographically more restricted than in the case of the model presently in effect. Such an excessive polarization of agricultural development would present the risk of aggravating the marginalization of the small family subsistence-farming operation and of not halting the human and economic desertification of a large part of the national territory.

So far, the agricultural-development model applied has not been capable of engendering sufficient growth of food production and of rural employment. This situation is all the more serious in that the rate of population increase is high. The demographic component is necessarily the cornerstone of any new model of development. In effect, the food supply and employment and stabilization of the rural population over the whole of the national territory constitute the principal benchmarks of the agroalimentary-development problem area. Polarized agricultural development has permitted the creation of a few islands of prosperity and it has raised the standard of living of a minority of farmers. But recourse to external food supply continues, the rural exodus is growing, and the regional imbalances are getting worse.

This crisis situation is structural, though it has been singularly aggravated by this year's drought. Revival of family farming within a development plan that takes into account the country's demographic constraints and economic realities therefore appears to be a promising way and one that can serve as a basis for a far-reaching reform of agriculture and of the rural world.

11267
CSO: 4519/69

GOVERNMENT COMPLAINS OF LOW OIL PRICES, COMPENSATION

Riyadh AL-RIYAD in Arabic 8 Nov 81 p 14

/Article: "Oil and International Politics!"/

/Text/ In 1973, specifically in the course of the oil embargo the Arabs launched against regimes supporting the aggression of the Zionist colonialist regime, oil began to acquire a more important character and to enter directly into the struggle, on grounds that it was the most important strategic weapon for changing the balance of power. It started to assume great importance in the context of international public opinion. Since that date, the capitalist West has started to blow its trumpets and provoke its media to distort the Arabs and their oil policy in the desire to deprive oil of its political nature, now that the control of this strategic resource has been taken from their hands and become the right of its lawful owners.

The recent period in the oil area has been characterized by increasing statements, especially from the West, on the degree to which it is legitimate to resort to oil as a political weapon and the degree of risk such use entails. In some colonialist circles this has reached the point where groups have been prepared to intervene rapidly and occupy the oilfields in the Arab Gulf area in order to prevent oil-producing countries from disposing of their national resources with total freedom and to threaten them. For all these reasons it is necessary to raise a number of questions on why this issue is being brought up in this form, with such significance, and one must also examine the other side of the political use of this weapon, which is, in practice, embodied in the current stage, and state the objectives derived from that.

At the outset, before penetrating deeper into an examination of aspects of the problem, it is worth pointing out that oil, in our present era, is not a commodity like many others--it is a strategic commodity of great importance and effect. It has its own character in conditions of discrepancies among a number of countries as significant consequences in international politics, whose backbone and main artery energy has now become, arise from the presence or lack of oil in specific quantities. While oil today is distinguished by this characteristic, we do not ignore that some commodities share the same characteristic in part, in certain conditions and occasions. Thus oil, from the beginning, acquired a political coloring, in view of the extreme importance it possesses; it also acquired this characteristic as a result of the existing struggle among

colonialist countries to dominate oilfields and have a monopoly on oil production and marketing. This struggle over oil on the part of colonialist countries in the first stage led to the subjection of the countries producing oil to subordinate relations with the colonialist countries and the capitalist market. This struggle helped create backward economic, social and political conditions in the oil countries that had been colonized at that time.

These characteristics and results were produced by the exercise of control over this resource by the colonial countries and their monopolization of it by force in their interests. That was not the result of the will or desire of the oil-producing countries. They themselves were downtrodden and unable to impart the necessary color to oil policy in the world until the oil producing countries became liberated and a change occurred in the domestic and foreign relations governing them--including their economic relations with the colonial and capitalist countries, they basically tried to use oil as other commodities in the international market and to extricate it from its obvious political coloring. At that time, the colonial countries' response was to continue treating this commodity on a political basis, insisting on continuing to deal in the same manner as in the past in the realm of oil, although general economic laws require that the movement of any commodity be determined on the basis of supply and demand, in accordance with which its prices and substitution value are to be determined.

However, the colonial countries, in spite of their special control over the international market, insisted on setting oil prices themselves and thus on being the parties who set its volume of production and markets as well. Here one need not speak of the causes and developments that governed other commodities in the international market. When most prices of other commodities were rising, oil experienced a drop in sales prices with each successive year during the period preceding the creation of the Organization of Petroleum Exporting Countries. Rather than have the oil-producing countries set the prices of this commodity, the colonial countries imposed a production policy on the oil that served their interests. Thus the monopolistic companies active in this field followed a policy of severing the link between the oil producing countries and their own oil after the oil had left the export terminals.

The situation which governed the oil industry was in the first place political. As a result of it, the capitalist West flourished at the expense of the oil-producing countries. It also led to the creation of severely complicated international economic relations between advanced industrial countries and extremely backward ones. Thus the gap between advanced economies that tried to swallow up numerous backward economies and subject them to their interests became great.

This political position vis-a-vis oil on the part of the capitalist countries continued from the time the oil industry emerged until the oil-producing countries regained their control over their national resources, and thus the process of directly adjusting prices, setting production and disposing of their oil began. At that point the Western countries, which felt that they had lost their privileges regarding this resource, started to scream and to call for the elimination of oil from political influences. They also used all their power to demand that oil be internationalized and removed from the national control of the oil producing countries so it could continue to serve their own interests, at the expense of its lawful owners.

The least that can be said about this position is that it is characterized by an obvious fraud. The Western industrial countries' demands today contradict their practices of yesterday and are also characterized by a desire to continue swindling, committing aggression and controlling this resource. Otherwise, what explanation is there to justify these countries' determination to occupy the oilfields and oil wells by force? Isn't that the result of the politicization of oil? When these countries controlled the oil politically and economically and imposed a specific pattern on the producing countries, they tried constantly to assert that politics had no relationship to oil. When the value of oil, in terms of international currency, dropped and its prices dropped, thus smashing the laws of supply and demand and the values of substitute commodities, that was not a political situation. However, when the oil-producing countries tried to keep oil from violating the laws, relationships and replacement values that govern the world market, oil ceased to be outside political influences. What strange, twisted logic!

Then, after all of the above considerations, don't the countries have the right to enjoy the freedom to dispose of their domestic resources at least as the Western countries themselves dispose of the means of technology and industrialization and some other economic resources? Doesn't America allude to the use of "the yellow weapon"--grain--to settle some of its political and international conflicts with the Soviet Union, by putting pressure on it? Isn't it the United States of America itself that wages war against the oil policy now being carried out and used its sales of military industrial goods and weapons for political purposes? Perhaps the issue of the consummation of the AWACS transaction with the kingdom at the present time is the greatest proof of that.

Once again, the popular saying, "If your son hits my son, God will break the bones in his hand, but if my son hits yours it is just two boys at play" holds true! Western thinking does not go beyond this boyish argument.

11887

CSO: 4404/139

POLITICAL ANALYSIS REVIEWS AWACS DEAL

Jiddah 'UKAZ in Arabic 31 Oct 81 p 3

/Article: "Our Moderate Policy Encouraged Reagan To Follow through with the AWACS Transaction"/

/Text/ The statement by His Royal Highness Prince Sultan ibn 'Abd-al-'Aziz, the minister of defense and aviation and general inspector, in addition to his press conference, in which he replied to questions from the Saudi Press Agency and local press correspondents, stress that the kingdom's success in obtaining the airborne early warning aircraft AWACS, as well as advanced additional equipment for the F-10 aircraft, means that the kingdom's firm policy, which is based on moderation and is aimed at attaining stability and security in the Middle East and the entire world, has been successful and effective.

Proceeding from its politically, economically and militarily responsible positions--positions which His Venerable Majesty King Khalid ibn 'Abd-al-'Aziz and His Highness the Crown Prince Fahd have expressed--the kingdom has implanted the foundations of a new strategy in the Middle East out of its belief in the pure mission of Islam.

Politically this strategy has been embodied in the kingdom's pursuit of a constructive, growing leadership role aimed at establishing peace and stability in the Middle East, proceeding from the two following facts:

1. The pursuit of a policy of taking decisions with an Arab Islamic orientation that is neither eastern nor western and is dictated by the higher domestic interests of the kingdom and its firm, unshakeable commitments to Arab and Islamic higher interests, with the objective of regaining usurped Arab rights to the territory of occupied Palestine.

The wise leadership, which is aware of the reality of conditions and the nature of relations among powers in the world, understands that the strategies of axes, alliances and polarized groupings are what caused Arab rights in Palestine to be lost and weakened the Arab and Islamic nations; therefore, it was inevitable that the kingdom, under the leadership of the venerable king and his devoted crown prince, should exert the utmost effort to implant the concept of a nonaligned Arab Islamic orientation which will enable us to preserve internationally balanced relations that will not harm our interests, or international interests, since we are an inseparable part of the free world, in which and through which we exercise a responsible leadership role.

2. The nonaligned strategic orientation which is concentrated on the attainment of the higher Arab and Islamic interests cannot stand firmly on realistic ground unless it is founded on two basic powers, the first economic and the second military. This is because negotiating power in political decisionmaking stems basically from these two powers and must depend on them in various stages of political decisionmaking in order to reach the stage of application.

The kingdom's decision to acquire AWACS aircraft and the necessary advanced military equipment for the F-15 aircraft was made in accordance with this nonaligned Arab Islamic strategy and a fierce battle took place with the Zionist lobby, which has permeated American institutions.

To begin with we possess economic power, and we have made the best humanitarian, economic and political use of it. Suffice it to say that the kingdom has managed to achieve balance for the economies of the free world in one of its most critical periods, which is one of worldwide recession, in which the rate of employment has risen outrageously and inflation has spread in a manner which can be compared only with the years of the thirties, as the American president, Ronald Reagan, has stated.

Therefore, our request for advanced American weapons was compatible with our policy and an assertion of it. This does not violate the principle of national sovereignty and the freedom to adopt political decisions in the context of our strategy: his highness the minister of defense and aviation expressed this when he said that the Saudi armed forces' acquisition of the early warning aircraft (AWACS) and the additional advanced equipment would give it greater power and efficiency if carried out on honorable terms that were in keeping with national sovereignty and dignity.

The Triumph of Moderation and Wisdom

His highness also stressed that the consummation of the transaction represents a triumph for the policy of wisdom, moderation and intelligence which the Kingdom of Saudi Arabia is pursuing, and at the same time it represents a triumph for American national interests and a declaration of independence of American policymaking.

His highness expressed the hope that the people in the congress and senate who opposed the transaction would conduct a review of themselves, realize that the stands they took were based on erroneous suppositions and have the moral courage to relinquish these positions.

His Highness Prince Sultan stated that he did not suffer the slightest doubt that the kingdom's acquisition of the AWACS early warning aircraft would be a factor for stability in the region, because anything that terrifies aggressors and deters expansionists from adventures is a matter which strengthens stability and peace.

America, Zionism and the Middle East

Although the conclusion of the AWACS battle in the senate and the kingdom's success with the transaction, as His Highness Prince Sultan said, realized American national interests and the declaration of American policymaking independence, there is nonetheless another struggle of the utmost importance which American President Ronald Reagan's administration is facing.

Perhaps it is about this struggle that the journalists' questions to his highness the defense minister revolved, the questions regarding the American-Israeli relationship, the Zionist lobby in America and the Middle East question.

This is because the senate's agreement to the transaction, following the bitter unrelenting effort which the American administration, especially President Reagan and the kingdom's men in Washington, embarked on against the Zionist lobby, means that a change has taken place in some American notions and conceptions regarding peace and stability in the Middle East--to whose full attainment Israel is to be considered the main stumbling block. This is because stability in the region may primarily be attributed to the attainment of two things. First is a just, comprehensive solution to the Arab-Israeli struggle, especially the Palestinian cause, which is embodied in giving the Palestinian people the right to self-determination and to establish their independent state in the West Bank and the Gaza Strip, which have been occupied along with their capital, Jerusalem.

The second is support for the moderate Arab countries in order to preserve balance, security and stability in the Middle East.

Proceeding from the Saudi peace plan, the United States participated with the countries of the area in setting forth a solution that is acceptable to all sides.

There is no doubt that the Saudi peace plan constitutes the appropriate background for a takeoff.

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NEW STRATEGIC RELATIONSHIP BETWEEN AMERICA, ISRAEL DEPLORED

Riyadh AL-RIYAD in Arabic 4 Nov 81 pp 12, 13

/Article by Staff Maj Gen Hasan Ahmad al-Badri: "The Joint Strategic Cooperation Agreement between Washington and Tel Aviv: Establishment of the Zionist Entity State Is Strategic Extension of America"/

/Text/ An expert with the International Institute of Strategic Studies in London asserts that Israel has acquired several times as much from the recent strategic cooperation agreement with the United States as it obtained from all the previous American administrations since its establishment in 1948. This guarantees unconditional United States military, political and economic support in the event any blowup occurs in the Middle East--even if Israel itself is the cause of this blowup.

In the meantime another expert in the North Atlantic Treaty /Organization/ has stated that this new agreement, which is expected to be signed at the start of the new year, has given Israel automatic membership in NATO.

Whatever might be the actual nature of this agreement, which has attracted the attention of the whole world of late, it does not in reality constitute a new turning point along the road of the distinctive relationships that have joined the two countries since Israel came into existence, with the firmest of bonds, and still join the two.

The fact is that from the initiative President Harry Truman took to recognize the state of Israel on 15 May 1948, before he received an official request from the party concerned as called for by diplomatic usage, up to President Ronald Reagan's signature of this new agreement in the next few months, the firm strategic relations between the two countries have not failed to cover great strides along the roads of political, security and economic cooperation and coordination.

No two people will disagree that Washington has been solicitous with Tel Aviv and has guaranteed it all the wherewithal for survival, from bread to missiles. It has poured upon it aid and gifts which no other friendly country or ally has received. Its material support for Israel has exceeded more than twice what the United States has offered all the developing countries combined.

There is nothing new in the above: what actually is new, rather, is that this distinctive relationship should be proclaimed in a legal agreement recorded and sealed by the two parties. That implicitly means that the American administration will continue to be partial to Israel and will insist on being so, in spite of an orientation toward equity and balance of sorts which the Arabs had been expecting of America in its treatment of the Middle East question.

If we look closely at the sections in the strategic cooperation agreement, in terms both of what it categorically announces and the skilful, deceptive way in which its provisions are formulated, we will be able to discern 10 basic points, which constitute the gist of this document on which both Reagan and Begin will put their signatures.

These 10 points are:

1. Heightened strategic cooperation between the two countries in the security and intelligence fields and the exchange of war information.
2. The provision of Israeli air cover for American forces summoned to operate in the area.
3. Coordination of activity between the political military leaders of both countries in the strategic planning fields, in order to launch the necessary resistance activities to cope with the domestic and foreign dangers that the Middle East and the African continent might be faced with.
4. The development of living, housing and administrative and technical service resources in Israeli land, air and sea bases and their provision to accommodate American rapid deployment force personnel, in addition to the exertion of efforts to guarantee that the mission of moving this personnel into areas of possible danger with the requisite speed at the highest levels of competence is facilitated.
5. The holding and administration of tactical and strategic training projects and joint air, land and sea formation maneuvers, to be dominated by joint Israeli-American command.
6. The development of Israeli maintenance and repair capabilities and capacities to serve American air and sea forces which are summoned to operate or stay in the area, in the quality and quantity appropriate to the volume of anticipated war activities.
7. The storage of American materiel, ammunition, arms and spare parts in depots and areas of Israeli strategic concentration, to be deployed in accordance with a jointly agreed-upon plan to serve the interests of the two allied countries in the best manner, providing them with strategic balance and continued sustenance in the course of combat in the area.
8. The placing of Israeli ports on the Mediterranean and Red Seas at the disposal of the American fleet, providing logistical and technical support for American naval vessels operating there.

9. Joint cooperation in the manufacture of weapons and spare parts in Israel with reliance on American expertise, money and primary materials, and continued development through an American military presence and advanced Western technology.

10. An increase in economic support, aid, donations and long-term loans to assist Israel in performing its share of this agreement and carrying out the new burdens it sustains that arise from that.

These 10 points show how the United States' support for Israel's security and economy go beyond the limits of mutual assistance between friendly countries and reach the level of the establishment of an alliance or merger making Israel a strategic extension of the United States, or a 51st state in the Middle East. Indeed, some analysts correctly see in it the glimmers of a mutual defense treaty which no longer lacks anything but the insertion of a traditional introduction to preface the relevant document, stipulating that any aggression occurring against either of the two parties will be considered an aggression against the other one and requiring that both confront it with combined military force.

This introduction has been applied one way or another since Israel was established, in fact has been applied in a blatant direct fashion since 1967.

While no one is actually alluding to the existence of such a written treaty, Washington has hastened to aid Israel whenever it faced danger, even when it was the cause of this danger and started aggression against its Arab neighbors. How many acts has it committed in its aggressive file full of crimes! No American president since Israel was created has failed to undertake to support its national security, asserting to Tel Aviv that this commitment constitutes one of the main goals of his administration, which considers Israel an ally and a buttress of regional security in the Middle East.

All American administrations have taken biased positions in the international context to underline that. In fact, some of them continued to support the Israeli viewpoint in international gatherings, even after the whole international community had condemned it.

In the foreseeable future we anticipate no shift from the strategic cooperation agreement to an organic alliance; there is no information on which to make such a conjecture. The well-known hawk of the military establishment, the current Israeli minister of defense, Gen Ariel Sharon, recently confronted us with the interpretation that this agreement with the passage of time will turn into a military alliance, or something stronger than an alliance, and will in addition pave the way for an oppressive preemptive deterrence and joint suppressive strikes against any danger arising inside or outside the region that threatens American or Israeli interests jointly or separately.

In his interpretation of the treaty, Sharon goes on to say, "Among the subjects the Tel Aviv government is particularly concerned with is the incorporation of Israel's military capabilities into the Western defense system for the Middle East and the continent of Africa."

This drastic view is bolstered by the recent observations military analysts made on the intensified arrival in Israel of Pentagon experts who specialize in long-range strategic planning in order to advance the process of joint strategic cooperation between the right flank of the North Atlantic Treaty and the state of Israel, which will as a result be transformed into one of the most important strategic security supports for the Western world in the region, whereas its role up to today had been restricted to the arena of the Arab-Israeli struggle and peripheral activities only.

There is no doubt that in this the United States of America has the objective of securing an advanced, politically secure military base close to the territory of but not sharing borders with the Soviet Union lest it turn into a direct land invasion route that could be invaded and neutralized.

At the same time, this sort of base will provide security for the right flank of the North Atlantic Treaty /Organization/ which became exposed in a disturbing manner in the wake of the collapse of the Baghdad Pact on 14 July 1958, the decline of the Central Treaty with Yahya Khan's disappearance from the political stage in Pakistan, and finally the expulsion of the Shah from Iran in 1979 and the emergence of the Islamic revolution there--along with the Soviet menace's concomitant constant insistent forward advance toward the Arab Gulf and its application of the pincers against the Gulf, as it remorselessly approaches from the African Horn to the west and Afghanistan to the north.

Thus this stable, secure military base will protect the West's interests in the area in the best manner, by providing broad adequate scope for American mobile deployment forces to operate with support from elite Israeli personnel, increasing their logistical combat capability and expanding the radius of their activity and their ability rapidly to focus, concentrate and maneuver vast distances outside the geographical limits of the Middle East theater--especially when supplied with sufficient numbers of the most modern advanced weapons, as disclosed by the long lists of weaponry that Israel is now requesting.

In coping with the Arab rejection of this agreement, which will inflict the most grievous damage on their legitimate rights and give Israel arms to continue to procrastinate, deepen its aggression and impose a tyrannical Israeli peace, it is expected that Washington will seek to justify its actions by pleading a desire to stand up to the Soviet threat menacing the area more effectively and positively in addition to having Israel link itself with binding legal ties that will guarantee it security and make it more receptive to control of its future political and military action and conduct--in a manner ultimately benefitting the peaceful solution to the Middle East crisis.

However, anyone following Menachem Begin's statements will distinguish points in them which radically contradict this kind of traditional American justification, especially declarations recently made on the need to expand the scope of the strategic cooperation agreement with the United States and direct it primarily and before all else against the Arabs.

These and similar statements radically contradict all justifications or interpretations which Washington might offer to reassure the Arabs.

This is from the standpoint of the higher strategic interests of the Western camp in general and the United States' interests in the Middle East in particular.

As regards Israel's intrinsic interests, this agreement will, as usual, guarantee Israel the lion's share of the immediate and long-term fruits it offers. Perhaps the first and most important of these is that it will enable the Tel Aviv government to shift the center of gravity of international attention back from the Arab Gulf area, since the world's gaze is now being directed toward lines of Arab-Israeli contact. It will thus be able to hasten to reap the fruits of Camp David in its capacity as a favored partner, the devoted executor of Western strategy in the Middle East, and the ally who is trusted for his sincerity, stability and faithfulness to his promise, the ally that the governments of the other countries in the area must take as the example to emulate--provided these latter accept the role of less-favored partners with the West because of the unstable conditions they are suffering from or the highly contentious short tempered policies they pursue with one another, that constantly vacillate from far right to far left.

This agreement is also adequate to enable Israel to create an arsenal of advanced weapons at its permanent disposal, allowing it to dispense with the air and sea bridges of support that depended on its rapid provisioning in the desired quality and quantity as a result of the previous rounds it embarked on with the Arabs first in the Palestine theater and subsequently in the Middle East theater.

This advanced, secure arsenal will turn Israel into a tremendous depot for American arms that are still theoretically in the possession of the government of Washington while in practice and reality they have become the property of the Tel Aviv government, ensuring it absolute military superiority over all its enemies and neighbors.

Last but not least, this agreement will increase the harshness of the struggle and competition in the Middle East, the more the forces of international polarization are given an opportunity to develop them and expand the area they cover, rather than calming them down and reducing their scope. Thus the region will face further unrest and revolution, indeed internal war.

While military analysts anticipate that this agreement will consolidate all the gains the Tel Aviv government has won, they are afraid that further damage will be inflicted on the Arab front and that the Arabs' political and security stability will be threatened in a manner harming their higher interests, their legitimate domestic and national rights and their deteriorating economic situation.

At the same time it will make Egypt face a fait accompli which will drive it further into neutralization by entering as a third party into the agreement, adding to the profundity of the schism that has afflicted the Arab front and reducing its power to cope with the scheme of Israel, which has usurped their land, laid waste to their rights and proceeded in this critical period to go about implanting its gains and imposing a new fait accompli and various international relationships in the region.

There remains a general view of what the Arabs have prepared, or are in the process of preparing, to cope with the new danger which will arise from this agreement.

The Perseverance Front, which consists of Syria, Libya, Algeria, South Yemen and the Palestine Liberation Organization, took the initiative of holding a summit conference in Libya to discuss all probabilities and consequences. At this conference President Mu'ammār al-Qadhafi asserted that this agreement had turned the Arab-Israeli struggle into an Arab-American struggle. President Hafiz al-Asad stated that the United States' current goal is to create further lines of friction in the region, that the Arab nation will never submit to such Zionist colonialist schemes, which are aimed at imposing a capitulation on the Arabs, and that the Arabs will settle their affairs in a manner enabling them to continue defending their destiny and their legitimate rights.

The fact is that Arab strategic balances have deteriorated to the point where it has become the Arabs' duty to revise their calculations and appraise their situation from the ground up. Today they most urgently need to reshuffle their cards to cope with the new danger, not just with sharp criticism and statements aimed at reprisals, the imposition of an oil war or the shutoff of oil, but through the appropriate mobilization of their material, moral and technical resources and capabilities in order to form an effective front that can move politically, economically, militarily and in the media context.

Continued Arab fragmentation, in the form the Arab nation has been suffering from recently and still is suffering from today, has given Tel Aviv and Washington the green light to make this recent agreement.

Since force has been and still is the logic that is respected in international relations and the voice that cries out louder than all others, the Arabs are now in the utmost need of acquiring force by mobilizing their efforts in a sound scientific manner which will make them the sixth power in the world today.

At the coming 12th summit conference meeting in Morocco an opportunity will arise which must not be wasted to arrive at this desired national goal, without which it will be impossible for us to protect our higher national interests, gain our legitimate rights and prevent our enemies from continuing to plunder more and more from us as the years go by and the days follow in succession.

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AL-JUBAYL-YANBU' COMMISSIONER DESCRIBES PROGRESS IN PROJECT

Jiddah AL-MADINAH in Arabic 29 Oct 81 pp 6, 7

/Article by Yusuf Fadil: "The Royal Commission's Achievements in al-Jubayl Speak for Themselves"/

/Text/ A number of years ago it would have been natural, in talking to an official, to hear him speak of the aspirations, hopes, projects and steps for the future. That was indeed a natural thing.

However, when the wheel of time turns, the characteristics of the conversation and its dimensions and goals must change. Instead of wondering and being amazed, and pretending to be persuaded about what might be achieved in the future, the features of avidity and interest become etched on the listener; conviction imposes itself on the mind and spirit of the person talking. The important thing is that the picture changes with the change in times and the movement of the wheel of time.

It was important that AL-MADINAH choose a person who is serious about appointments to talk about the achievements that have actually been carried out in the course of time through economic power and capability, efficient, intelligent minds and strong arms which scarcely know the meaning of rest or exhaustion.

AL-MADINAH held this conversation with Dr Faruq Akhdar, the secretary general of the Royal Commission for al-Jubayl and Yanbu' and acting general manager of the project for the industrial city of al-Jubayl. In a few days the people of the Eastern Province will have a real rendezvous with the commission's achievements in the city of al-Jubayl on the occasion of the fourth anniversary of the visit His Majesty King Khalid made to the industrial city in al-Jubayl and the dedication of the al-Jubayl project. These achievements will be presented in the course of a fair held in the city of al-Dammam.

In fact, Dr Akhdar's statements just reflect the actual state of the achievements and the work carried out through the labors of the commission in al-Jubayl, over the period of 4 years. This conversation took place.

/Question/ At the outset, could you spell out for us the Royal al-Jubayl Commission's status among the agencies which have responsibilities for roles in the country's economic development?

/Answer/ The kingdom has embraced a bold plan for rapid development. This plan is concentrated on the construction of two big completely new industrial cities, one in al-Jubayl along the Arab Gulf coast and the other in Yanbu' on the Red Sea coast. The two new industrial cities together will constitute a center for the development of heavy industry in the kingdom during the third development plan and, subsequently, to the end of this century.

A Modern Industrial Country

The Royal Commission for al-Jubayl and Yanbu' is specifically responsible for the planning, construction and operation of the infrastructure facilities--electric plants, water systems, roads, ports, airports, communications system, sewage disposal system, schools and hospitals. These are considered the basic support for the numerous industrial units and the urban residential areas to be established in every location. The commission is assuming a key role in the process of turning the kingdom into a modern industrial country.

The Commission's First Task

The royal commission was established by Royal Decree 75 of 21 September 1975 issued by His Majesty King Khalid ibn 'Abd-al-'Aziz Al Sa'ud. The royal authority possesses an identity which is unique in the government of the kingdom and it has special powers and responsibilities. It is the only authority that controls the development of the infrastructure in al-Jubayl and Yanbu' both. The royal commission is functioning under the supervision of the government because of the rapid development that is being planned for both areas. It has an independent budget and a massive financial and administrative identity.

The royal commission's first task was to prepare main plans to guide all aspects of development in the two industrial cities, including comprehensive land use, industrial development, urban residential areas, basic installations, environment and manpower training. In 1977 these major plans were completed and were considered a flexible framework for the stage-by-stage planning of industrial development in al-Jubayl and Yanbu' for a period covering more than 30 years.

Industrial Development Goals

/Question/ By the nature of the case there must be specific development goals in al-Jubayl and Yanbu'. What are these specific goals?

/Answer/ It would require lengthy discussion to describe the dimensions of each of these goals and its position in the general economic plan. However, mentioning them in summary form, I can spell them out as follows:

We want to create a diversified self-sufficient industrial economy that is less dependent on revenues from oil and natural gas, which are bound to run out. In addition to that we aim to increase the kingdom's economic yield from processing crude oil and natural gas. There are also other objectives embodied in the use of materials that are dependent on low-cost energy in order to develop petrochemical, fertilizer, iron and steel and aluminum industries and other energy-intensive

industries which rely on hydrocarbons, support for regional diversification of transformational industries, increased real income, job opportunities for Saudi citizens, and the technical and administrative training of Saudi manpower to operate the new industries, infrastructure facilities, and residential areas in the two cities.

Three Groups of Industries

/Question/ It is widely known, through the media, that industries in the cities of al-Jubayl and Yanbu' will not consist only of petrochemicals or heavy industries but that there will be secondary and other support industries. Who will take charge of establishing these industries and what will the role of the royal commission with regard to them be?

/Answer/ There are actually three basic groups of industry in the industrial areas that have been planned especially for this purpose in al-Jubayl and Yanbu': primary industries, secondary industries and, lastly, support industries.

With respect to the primary industries, these are the heavy industries that are basically founded on petroleum and are energy-intensive. They are the basis for development in the al-Jubayl and Yanbu' complexes. Most primary industries in the kingdom will be constructed on a broad scale and will be concentrated in these two complexes in the next 10 years.

The process of building major new refineries and petrochemical, fertilizer, iron, steel aluminum and other plants based on the /hydrocarbon/ resources will occupy the heart of the preliminary industrial programs in al-Jubayl and Yanbu'. By 2000 approximately two dozen primary industries will be concentrated in al-Jubayl and Yanbu' along with a host of secondary and auxiliary industries.

Petromin and Sabic

The main responsibility for developing and supervising primary industries will devolve upon two government organizations, the General Petroleum and Mining Organization (Petromin) and the Saudi Basic Industries Organization (Sabic), in the case of industries established in the al-Jubayl and Yanbu' industrial complexes.

Petromin concludes contracts for companies taking part with foreign partners in oil refineries and massive storage facilities, while Sabic forms companies taking part in all other industries that rely on hydrocarbons and concentrated energy. The logical function of foreign participation is to provide the skills and technology necessary for planning or managing and operating these big projects in the complexes and to acquire assistance in marketing products abroad.

Al-Jubayl and Yanbu' will receive fuel and raw materials from the oil and natural gas produced in the Eastern Province. Petromin is building a 1,200-kilometer crude oil pipeline across the Arabian Peninsula, alongside which Aramco is building a natural gas liquid pipeline to link the Yanbu' industrial complex up to the facilities for its crude oil and gas processing operations.

The Petromin oil pipeline will provide an export outlet to the Red Sea at Yanbu' for Saudi oil going to the markets of Western Europe and North America, reducing the Kingdom's reliance on a single crude oil export outlet on the Arab Gulf.

Completion of the new Aramco system being established in the Eastern Province is drawing near. That is the greatest of gas gathering and treatment systems and it will supply the liquefied natural gas to be transported by pipeline across the Arabian Peninsula desert to a natural gas liquids refining plant and a terminal plant in Yanbu', both of which will produce raw materials for the petrochemical plants, propane, neon gas, and natural gas for export. It will also provide liquefied natural gas pipelines, fuel for petrochemical plants and oil refineries, and power generation requirements in Yanbu'.

The Ports of Al-Jubayl and Yanbu'

When these new facilities reach the position where they will be able to produce in the eighties, the port of al-Jubayl on the Arab Gulf and the port of Yanbu' on the Red Sea will assume major importance for the future of economic development in the Kingdom of Saudi Arabia. The crude oil and natural gas produced in the Eastern Province will pass through a completely new series of processing operations in the two industrial complexes, as will the processed and refined products, including petrochemicals, which essentially consist of ethylene, nitrogenous fertilizer, steel ingots, metal cable, naphtha, gasoline, and jet fuel. Al-Jubayl and Yanbu' will be two major centers for economic development in the Eastern and Western Provinces. They will also stimulate trade and investment in the peripheral areas surrounding them.

Secondary Industries

In addition to the primary industries, a group of what are called secondary industries will also be established in the two cities. These industries will use the primary industries' output as raw materials. The secondary industrial projects will be established on a broad scale as a result of private sector initiative and will emerge as a natural outgrowth of the development of primary industry in al-Jubayl and Yanbu'. These industries will range from light to heavy according to category and will constitute a ready-made market for primary industrial products. They will also essentially consist of processing facilities for the byproducts of the oil refineries, petrochemical plants, iron and steel mill and aluminum facilities. The products of these secondary industries will be marketed domestically and abroad.

Support Industries

Finally, a group of industries called support industries will also be established in the two cities.

The support industries will furnish goods and services for the primary and secondary industries as well as for commercial and other professional activities for the general public in the two industrial cities of al-Jubayl and Yanbu'. These will consist of commercial activities which can be listed under the categories of

building materials, heavy material imports, retail and service shops, industrial products, public transport centers and repair shops.

In this area, four basic industries have actually started to build their own plants at their sites and 10 support industries have started operating. Work is actually underway on the construction of seven other support industries and the construction of industrial zones for secondary and support industries.

130 Kilometers

/Question/ This has been achieved in the field of basic and support industries. We would like you to spell out for us the achievements that have been made in the field of facilities related to roads, electricity and telephones in the industrial city of al-Jubayl.

/Answer/ In regard to roads, design has been completed on more than 130 kilometers of roads to service the industrial area, and in addition the design of more than 25 kilometer of roads for the transportation of manufactured units has been completed. Close to 100 kilometers of such roads have also been built.

As regards the permanent electric power system, 90 percent of the design for that has been completed and 60 percent of the design work on the integrated project telecommunications system has been carried out. A telephone system with a capacity of 1,600 lines has been erected to serve the employees of the royal commission and its administrative apparatus, along with 3,000 mobile exchange telephone lines.

Other Achievements

/Question/ What about other achievements?

/Answer/ Yes, a computer system has been installed along with firefighting and security service units, and a new 100-bed hospital has been built. A number of schools have been opened and a school for foreign pupils began 3 years ago. The temporary training center has also begun its functions of providing basic vocational skills for young Saudi workers, while work has also started on the building and construction of the large permanent training center in the city of al-Jubayl.

I can also say, as regards the airport for the al-Jubayl industrial city, that 4,000 meters of airport runway on which domestic passenger flights are now taking place have been leveled and paved, and construction has been completed on about 85 percent of the joint passenger and cargo terminal building in the airport.

As regards railways, work is nearing conclusion on the design work bearing on the main al-Jubayl-al-Dammam railroad and a railroad to the industrial area.

In addition, an estimated two-thirds of the design work bearing on the systems for receiving oil, solid and liquid products have been carried out and work has started on the construction of iron ore and urea receiving facilities.

300,000 in Al-Jubayl

/Question/ What do you expect the population in al-Jubayl will be when the industrial city there is completed?

/Answer/ In terms of al-Jubayl, the population now comes to 11,500, of whom 10,000 are workers. It is expected that the population will increase in 1985 to 76,000, 46,000 of whom will be workers. In 2000 we estimate that the number will rise to 300,000 people, of whom the workforce will total 76,000. In terms of al-Jubayl /sic/, the population now totals 26,000 of whom 23,000 are workers. In 1985 we estimate the number will increase to 53,000 people, of whom 22,000 will be holding jobs, while in 2000 estimates are that the population will be 125,000 and the number of people employed will be 33,000.

Residential Areas

/Question/ What preparations has the royal commission made to house this growing number of inhabitants and workers in al-Jubayl?

/Answer/ We are constructing two residential areas which will be urban in character close to al-Jubayl and Yanbu' to accommodate the families of workers in operating services and support services who are affiliated with the two industrial complexes. This will be done by considering it a portion of the royal commission's main plan for al-Jubayl and Yanbu'.

Major master plans have been prepared to expand the housing areas in order to specify land use and expansion, transportation and other needs in order to allocate land to public and private uses. The plans also include comprehensive arrangements for urban utilities and services as well as for an integrated policy in regard to the zones. The two new cities will assume the form of numerous centers and will be broken down into districts, sections and suburbs.

The city districts will take the form of main central cultural, commercial and administrative areas in the al-Jubayl and Yanbu' residential areas. The municipality authorities, cultural facilities, mosques, central parks, and main office and commercial organizations will be in these areas. The suburbs will lie close by; their population densities will vary and they will include mosques, medical clinics, primary schools, playgrounds, recreation areas and central markets.

Planning and Building

These new residential areas have been designed to furnish a high level of urban planning and building for the sake of development in other areas; these residential areas will provide a total range of educational, cultural, recreational and spiritual pursuits, since vocational development, the spread of technical knowledge and the spiritual enrichment of the inhabitants of al-Jubayl and Yanbu', and the preservation of Saudi cultural and religious values and standards, are as important for the future of the kingdom as the economic goals of industrial development.

In al-Jubayl there now are approximately 20,000 men working on the project, residing at the worksite and engaged in the work of building the city. The construction of 10 residential sections large enough to accommodate more than 21,500 workers and employees has been completed and construction on two other residential sections to accommodate 8,000 manual laborers is now underway.

There are more than 100 contracts for the design and construction of permanent residential areas and work is also underway on the construction of facilities for the infrastructure and the construction of dwellings in the sections.

These activities required the removal of more than 27 million cubic meters of soil to prepare locations for the residential area; in addition, 80 million cubic meters of soil were removed to prepare sites for basic and support industries and most secondary industrial sites.

I would like to add that about 80 percent of the design work on the sewage system has been completed and that construction is underway on a seawater cooling system for use in industrial facilities which will have a capacity of 9.8 million cubic meters per day.

Manpower Development

/Question/ Could we talk about manpower and the commission's role regarding that?

/Answer/ During the period of development in the two industrial cities of al-Jubayl and Yanbu', manpower demands will be subjected to a tremendous change. In the early years the main proportion of the inhabitants will be non-Saudi--in fact, most of the people living at the site during the second development plan (1975-80) were temporary construction workers brought in on a broad scale from outside the Kingdom (Yemen, Korea, The Phillippines and so forth), who lived in construction camps.

When work starts on the infrastructure facilities, the industrial units and the permanent residential areas in the eighties, the arrival of the workforce to operate and maintain these facilities, which will consist mostly of expatriates, will begin, and it is expected that the number of inhabitants in the two permanent cities will increase, since the workers will be accompanied by their families there. Therefore it is expected that the total volume of inhabitants will reach 76,000 in al-Jubayl and 53,000 in Yanbu' by 1985, which is the last year of the third 5-year plan (1980-85).

Role of the Educational System

The manpower operating and maintaining the two industrial cities will need a complete group of professional, technical, vocational and managerial skills required by modern industrial society. Since there is a deficit in these manpower categories in the kingdom, the development of al-Jubayl and Yanbu' will depend on the use of foreign labor during the eighties. In any event, the expanded programs to employ and train Saudi citizens in each of the two cities in connection with the expansion in the kingdom's educational system will gradually reduce the use of

foreign manpower in a broad range of occupations. In terms of the next 10 years, the permanent residents in the two cities will be mixed, coming from various populations, and the amount of Saudi citizens proportionate to the total population will be increasing regularly.

Intrinsic Development

Perhaps the most important contribution to the intrinsic development to come in the kingdom which will be provided by al-Jubayl and Yanbu' is the formation of a well-trained Saudi workforce that will be able not just to operate and maintain the two urban industrial complexes but also to furnish a nucleus of administrative workers and technicians whom the whole kingdom can rely on. The royal commission's emphasis on the development of Saudi manpower shows the kingdom's belief that its manpower resources, and not its oil reserves, are its most precious and lasting resources.

Training Programs

In reality, both al-Jubayl and Yanbu' have inculcated manpower training programs to eliminate the tangible shortage in Saudi professionals, technicians and administrators, with the ultimate goal of replacing foreign citizens with Saudi citizens in all stages of the construction and operation of the two industrial cities of al-Jubayl and Yanbu'.

The royal commission recently prepared manpower development plans for both cities with the aid of the Korean Development Institute. These plans will provide useful guidance for the royal commission in manpower support, the objective of Saudization, the employment, encouragement and training of Saudi manpower, and the creation of the necessary manpower development organizations.

The Commission's Working Philosophy

/Question/ The Royal Commission for al-Jubayl and Yanbu' must have a specific philosophy by which it functions in carrying out its role, its duties and its responsibilities. What is it?

/Answer/ If we take a more thorough look at the tasks of the royal commission, we will see that the basic responsibility of the royal commission is the planning, coordination, construction and operation of all the main infrastructure facilities and general services needed to strengthen the two new industrial complexes and the permanent urban residential areas in al-Jubayl and Yanbu'. The main infrastructure facilities include, not exclusively, water and electricity systems, telecommunications, industrial and commercial ports, roads, airports, electric power and waste disposal, as well as housing, schools, hospitals and recreational facilities.

The guiding philosophy of the Royal Commission for the Development of al-Jubayl and Yanbu' is to provide full encouragement for Saudi contractors and importers and Saudi professionals and technicians to take part to the maximum possible degree in all stages of project and program planning and execution. We have a policy in the commission which states that the opportunities to be offered to Saudi

companies and manpower to exert efforts and assistance in the development of the two complexes are to be unparalleled. The gist of this policy is:

Upon the presentation of contracts for major large projects, the royal commission will exert all its effort to divide these up into small independent contracts so that Saudi organizations will be able to submit offers for them, then be chosen to perform the work. However, these small contracts will require increasing administrative oversight and supervision. Nonetheless the gains that small Saudi contractors and importers will acquire will justify this effort.

Upon evaluation of foreign contractors' bids, when all factors are equal, the royal commission will give preference to those bids containing the greatest percentage of Saudi subcontractors and Saudi imports.

Support for private sector investment will be realized through the royal commission's appropriate policy with respect to the rate of return on infrastructure facilities and services, as well as other incentives which the government will provide.

The royal authority will help create a local group of experts by granting Saudi youths opportunities to work directly with qualified international technical and administrative experts who will provide a high level of training.

Granting the Saudi private sector special opportunities to offer a large group of services as franchise owners rather than having the royal commission provide these services directly.

The Organizational Structure

/Question/ I believe we must shed some light on the organizational structure of the Royal Commission for al-Jubayl and Yanbu' so that that can be well understood and repeated and broadly presented.

/Answer/ The Royal Commission for al-Jubayl and Yanbu' consists of a board of directors, a secretariat general and general directorships for both the city of al-Jubayl and the city of Yanbu'. The board of directors is headed by His Royal Highness Crown Prince Fahd ibn 'Abd-al-'Aziz and the board is made up of six additional members appointed by the chairman. The vice chairman is His Excellency Hisham Muhyi-al-Din Nazir, the minister of planning and the remaining members of the board of directors are His Excellency Shaykh Muhammad Aba al-Khayl, the minister of finance and national economy; His Excellency Dr Ghazi al-Qusaybi, minister of industry and electricity; His Excellency Dr Fayiz Ibrahim Badr, chairman of the General Ports Authority and its board chairman; His Excellency Shaykh Khalid al-'Ali al-Turki; and His Excellency Eng 'Abd-al-'Aziz Ghandurah, director general of the Mina Project. The six council members were appointed on the basis of their status in the kingdom and their official positions in the ministries or government organizations, and their responsibilities are linked to the activity of the royal commission.

While the royal commission in Riyadh exercises comprehensive oversight over the al-Jubayl and Yanbu' projects, we find that all the direct responsibilities bearing

on operating and drawing up contracts related to the execution of the main infrastructure plans and development of residential areas are located in the two general departments situated at the worksite in al-Jubayl and Yanbu'.

11887

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MAJOR NEW EXPANSIONS IN TELEX SYSTEM HAILED

Riyadh AL-RIYAD in Arabic 4 Nov 81 p 7

/Article by 'Abd-al-Muhsin al-Murshid: "Direction of All Telex Services through Computer and Increase in Number of Lines to 30,000"/

/Text/ At the end of the first 5-year plan, there were only 750 telex lines. Starting in 1978, construction began on a plan to raise the lines to 15,000 in number and to shift all telex services from the semiautomatic system to the electronic system. In the third 5-year plan the goal is to raise the number of lines to 30,000, by which it will be possible to meet telex line needs of all towns in the kingdom. Thus the officials in the Ministry of Post, Telephone and Telegraph are seeking to provide rapid advanced service such as telex services. Here is a conversation with Mr Sulayman Ghandurah, the deputy minister of post, telephone and telegraph for financial and administrative affairs, in the course of which he discussed the growth and development of telex services. He was the major official regarding the new projects the telex /service/ has carried out or will carry out. He says,

"The ministry has executed the following projects in the telex service area:

"1. Construction of new international telex circuits with other countries.

"2. Construction of a telex computer center which will take charge of drawing up telex invoices and international accounts.

"3. Installation of TDM equipment in remote areas to bring telex services to towns in various areas of the kingdom.

"4. Installation of telex centers in towns and main telex exchanges in telegram and telex areas in order to expand the telex system and hook subscribers up to these centers."

Satellite Exchange

/Question/ In the third 5-year plan, are there major vital Saudi telex service projects? How many such projects are there?

/Answer/ The 5-year plan consists of the following projects:

Increasing the satellite exchange (center) capacity from 8,700 to 18,000 lines.

Shifting the main telex exchanges in Riyadh, Jiddah and al-Dammam to telecommunications buildings, increasing the expansion of the Riyadh and Jiddah exchanges and the satellite exchange (center) from 18,000 to 30,000 lines.

Establishing a computer control system and providing 20,000 telex teleprinters.

A Computer for the Telexes

/Question/ We also are aware that all telex services will be directed through computers to control automatic telex activity; we would like you to give us an idea of this feature and tell us how telex activity was controlled before the introduction of the computer.

/Answer/ At the present time the kingdom is using the most modern telex exchanges: they store information and control activity, and they also classify telex activity and record it on magnetic tape.

The computer is used in the computer center to draw up telex invoices for subscribers and draw up international accounts and statistics.

The ministry is in the course of using a computer to control the telex system to overcome all problems or breakdowns that might arise at any moment.

/Question/ As regards subscription applications for telex services, are there conditions on giving agreement to applications, and a system for that?

/Answer/ Subscription applicants must present the subscription applications to this ministry or the organization in whose jurisdiction they are located. They must enclose, first, a copy of the commercial registration, and second, a copy of the rental agreement or ownership statement, and there must be a telephone line and a 110- or 220-volt electric power source in the place where the telex system is to be installed.

The telex systems installed for government subscribers must only be relinquished after the ministry (or the region) has given agreement, and their locations or transfers may be recorded only on the authority of its representatives. They can be allocated only for ordinary communications and may not be used for illegal communications.

30,000 Lines

/Question/ Is there an increasing demand for telex services? Has the ministry taken this into account? How has it managed to eliminate the effects of this growing increase in demand for service?

/Answer/ As regards increasing demand for telex services, that is a fact which is demonstrated by the growth in the number of telex subscribers. Up to the end of the first 5-year plan (1974-75), they did not come to more than 750. By the

beginning of 1978 that had risen to 1,158 subscribers; in 1979 the number of subscribers rose steeply to 6,000 and it has now gone up to 9,000. It is expected that the number of subscribers will total 12,000 by the end of the next fiscal year, 1981-82.

The ministry's confrontation with this rapid increase in demand for service, an increase that is expected to grow constantly, may at the outset be summarized as the observation and following of trends then the execution of successive expansion projects and programs to cope with and eliminate the effects of the trend. Anyone closely following the development of the telex system in the kingdom can observe these programs and projects, since the system's capacity was increased to 1,250 lines distributed among the cities of Riyadh, Jiddah and al-Dammam in the first years of the second 5-year plan. Beginning in 1978 a start was made on the radical transformation of this system, which included an increase in the number of lines to 15,000 and a transfer of line services from the semiautomatic to the electronic system. In the third 5-year plan the goal is to raise this number, with God's permission, to 30,000 lines, which will be able to cover expected demand needs in the various areas of the kingdom.

A Modern Fashion

/Question/ How do you explain this increasing demand for Saudi telex service subscriptions?

/Answer/ The telex is a modern service which is in keeping with the requirements of many government departments, and it is an indispensable tool for organizations, companies and major businessmen. These groups require direct contact with business circles and international commercial markets domestically and abroad in order to manage business, conduct transactions, and constantly monitor prices and the newest developments taking place moment by moment and minute by minute. Telexes achieve this objective for these offices in a manner that cannot be realized by other means of communication.

Above and beyond that, among the services telexes will provide in the future is that they will allow expanded transmission of copies of documents, contracts, engineering drawings, maps and designs via telex cables. These services will save a great deal of time, effort and money and their use can be deployed rapidly. Among the telex services is one which permits the facilitation of dealings with banks and the consummation of cash transfers for the accounts of agents immediately in any country, whereby it is possible for him to issue a negotiable check in a country other than that in which the bank he is dealing with is located, supported by his account, for a transaction taking place in a country different from the one he has gone to. This is a service which will be of great importance in transferring travel funds when necessary, and only the telex can perform it. One can explain the increasing demand for telex service subscriptions by this, since financial and business services are very aware of the sensitive nature of the importance of the services provided by the Saudi telex system; therefore the proprietors of companies and organizations are anxious to be the first to have the possibility of using these services to improve the management of their affairs in a modern fashion.

/Question/ How many Saudi telex lines are there now? What is each town and village's share of such lines? Do telex services now cover all towns and villages in the kingdom?

/Answer/ The system capacity now is 17,484 lines. The goal of the second 5-year plan was to raise this capacity to 15,000 lines. This means that the ministry has exceeded its system plan goal by 2,484 lines. Since 2,060 telex circuits have been set aside for international communications, the number of lines available for subscribers comes to 15,424.

The system's lines are distributed among three main exchanges, that in Riyadh with a capacity of 6,456 lines, in Jiddah with a capacity of 8,232, and in al-Dammam with a capacity of 2,796. The services branch out from these main exchanges to the branch telex exchanges which are now deployed to supply 43 of the kingdom's towns in various areas. The introduction of service into the remaining towns will take place later, as soon as long-distance communications system and telephone services are hooked up to these towns. The Saudi telex system, with God's permission, has the resources to enable it to respond to demands in various towns when they meet these conditions and have the requisite electric power.

Photographic Messages

/Question/ Are there plans and programs to raise the level of technical services provided by the Saudi telex system?

/Answer/ There are numerous programs for raising the capability of the system and provide new services for subscribers in numerous fields. Among the most important plans that are being targeted for this objective are the following:

Completion of the central administration and automatic control of telex activity by computer.

Introduction of photographic telex message services which make it possible to use modern systems such as telecopiers and facsimile machines for sending telex cables with photographs of contracts, maps, engineering designs and other documents and draw checks by telex to save businessmen's time and effort and serve the travel funds of banks.

Introduction of telex message storage services whereby the subscriber will deposit the required message before leaving his place of work so that the telex system can take charge of sending it to the other party as soon as there is a free communication line. Then there are other new services which can be provided by telex.

Breakdown Repair Teams

/Question/ Do telex service subscribers in the kingdom suffer many breakdowns? How does this maintenance on telexes take place?

/Answer/ Telex exchanges, like other systems, face breakdowns but these are very insignificant. Breakdowns can result from breakdowns in telephone lines to which the telex system is hooked up or in the telex printer itself. There are specialized teams to repair breakdowns as soon as notice of them is received either in the telephone system or in the telex system itself by dialling the number 18.

Serving the Public

/Question/ Are there difficulties facing applicants for telex service? What are they?

/Answer/ There are no difficulties as long as there is the requisite telephone line to install the telex printer in the presence of the subscriber. These difficulties are overcome by establishing telex centers in all telephone exchanges; in cases where such lines do not exist, coordination takes place between the telex and telephone sectors to work to furnish them. It is worth pointing out that there are electronic telex printers in all cable and telex areas that respond to the subscribers' needs.

/Question/ Are there telex services provided to people in general as well as ones allocated to subscribers only? Have special offices been opened for these?

/Answer/ The ministry has devoted much attention to providing telex services for all citizens in various sectors. Public telex offices have been established in all towns where telex exchanges exist and in the centers so that people who do not subscribe to telex services may have opportunities to send their telexes abroad. They are charged for these according to the time that each message takes. In addition, there is telex service in the main hotels to facilitate their clients' tasks of sending and receiving international and local telexes.

The Dirab Station

/Question/ Does the satellite station situated in Dirab, in Riyadh, which was opened by his venerable majesty the king, play a part in improving telex service or increasing the current telex system? We would like some light to be shed on this role as far as telex services and such other services as telephones and printers go.

/Answer/ The satellite station in Dirab performs an important role for the telex system, providing international lines for telex exchanges and providing voice channels and acquiring 46 through the satellite station in Dirab in order to communicate with more than 20 countries linked by the telex exchanges in Riyadh, Jiddah and al-Dammam.

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BACKGROUND OF FUTURE RABIGH REFINERY REVIEWED

Jiddah 'UKAZ in Arabic 16 Oct 81 p 3

/Article: "His Highness Prince Fahd Lays the Cornerstone for the Rabigh Oil Refinery"/

/Text/ Acting for His Venerable Majesty King Khalid ibn 'Abd-al-'Aziz, His Royal Highness Prince Fahd ibn 'Abd-al-'Aziz, the crown prince and deputy prime minister, laid the cornerstone of the Petromin refinery project at Rabigh yesterday. On this occasion, his highness met with the people in the Rabigh region who had come to the town beginning early in the morning in the midst of demonstrations of a great celebration that expressed all the sentiments of affection and esteem for his majesty the king and his highness the crown prince.

His Highness Prince Fahd reached Rabigh at noon yesterday. Arriving in his highness' company were His Highness Prince Badr ibn 'Abd-al-'Aziz, assistant chief of the National Guard, His Highness Prince Salman ibn 'Abd-al-'Aziz, governor of Riyadh Province, and His Highness Prince Majid ibn 'Abd-al-'Aziz, governor of Mecca Province.

Ceremony Program

His Highness Prince Fahd ibn 'Abd-al-'Aziz arrived at noon and was received by his highness the deputy governor of Mecca, Prince Sa'ud ibn 'Abd-al-Muhsin, His Excellency Shaykh Muhammad Barakah Isma'il, the governor of Rabigh, and a large number of civilians, military figures and important persons from Rabigh and surrounding villages.

He was accompanied by His Highness Prince Salman ibn 'Abd-al-'Aziz, governor of Riyadh Province, His Highness Prince Majid ibn 'Abd-al-'Aziz, the governor of Mecca Province, His Highness Badr ibn 'Abd-al-'Aziz, the assistant chief of the national guard, and a number of princes.

Also there to meet him were His Excellency Shaykh Ahmad Zaki Yamani, the minister of petroleum and mineral resources, and the governor of Petromin, Dr 'Abd-al-Hadi Hasan Tahir.

The Ceremony of Greeting His Highness the Crown Prince

A detachment of guards performed the royal greeting and the citizens had the honor of greeting his highness the crown prince. Then his highness went to the celebration prepared by the Ministry of Petroleum and Natural Resources. The celebration began with the holy Koran, then a statement by his excellency the minister of petroleum and natural resources, followed by a statement by the governor of Petromin, Dr 'Abd-al-Hadi Hasan Tahir. A poem was also read out on this occasion, and after that his highness the crown prince laid the cornerstone by means of a trolley which his highness the crown prince observed after placing the stone in the site that had been prepared for it.

His highness then performed the group noon prayer and the retinue went to the display chamber prepared by Petrola, which is carrying out the project; there his highness became informed of the installations. After that his highness went to the yacht King 'Abd-al-'Aziz, then ate lunch aboard the vessel, then proceeded with a tour and did the honor of attending a celebration by the governor of Rabigh, Shaykh Muhammad Barakah Isma'il. His Highness also attended a party given by the people of Rabigh.

The Riches of the Earth to Support the Riches of the Spirit

His Excellency Shaykh Ahmad Zaki Yamani, the minister of petroleum and mineral resources, then made a statement on this occasion, saying:

"Our beloved highness the crown prince, and your highnesses the princes: I pray and give greetings to the prophet of God, who was the finest flower of his lord and lord of his creatures. The peninsula was unified under his banner and through his call, and the Arabs joined together about his religion and mission. Then he joined our supreme comrade, leaving us his religion and mission as the source of our glory and strength. We have prospered whenever we adhered to it and fallen whenever we alienated ourselves from it, and clouds of oppression dwelt over the Arabian Peninsula for many long centuries, in which its bonds were shattered, its various areas were separated, and its people proceeded to fight one another and its tribes to quarrel, until your father, may God have mercy on him, rose up in its midst and picked up the banner of Muhammad ibn 'Abdallah, calling for his mission, and once again the peninsula was reunited and unified under his banner, the banner of unification, the banner that says there is no God but Allah. Your father, may God have mercy on him, came and after him his sons, whom God honored as he had honored their father, carried the banner. He made them servants of his home and the mosque of his prophet, on whom be God's prayers and peace, so that they could be gladdened by his call; God's grace to your father was great, and God's grace to his sons was magnificent. When the resources of the earth flowed forth, you were concerned that they be a means to support the riches of the spirit and an instrument to deepen and strengthen national unity and build an integrated economy which would link the people of the peninsula, in the north of it, the south of it, the middle of it, the east of it and the west of it, together. This project, which you are gracing today by setting out its cornerstone, is only one example of that integrated economy. In order to achieve the goal of deepening the union, the oil from the east will be refined and exported from the west, thus

increasing our profits, building up our villages and agricultural settlements, and binding up our union. While I salute you, your highness, I salute you for your father the unifier of the peninsula, may God have mercy on him, greet you for Khalid, bearer of the banner, may God preserve him, and greet you for yourself, for your determination and farsightedness. This project is only one of the numerous projects which you have cared for and which you, their master, thought about before anyone else did, then sent to your troops to carry out. You deserve thanks for beginning this gracious act. In conclusion I greet you, your highness, on behalf of the petroleum family in general and the people executing this project in particular. I ask God to preserve the beloved father Khalid for us and to preserve you as his aide and support, and to preserve you as a hand for us so that you may build and write history and so that through you we may regain history and peace."

The Greatest Refineries in the World

His Excellency Shaykh 'Abd-al-Hadi Tahir, the governor of Petromin, also made a statement, in which he said, "We give thanks to almighty glorious God, your highness, for this brilliant day which we are celebrating, in which your highness is laying the cornerstone for a project which is one of a series of economic and development projects to whose execution the government of his majesty the king has devoted its great attention and care in accordance with the wise policy the kingdom is following, in order to create a firm, stable, strong economy within the kingdom and also to participate through effective leadership in stabilizing and strengthening the technological economy. This refinery whose cornerstone you are laying will, God willing, be considered one of the biggest oil refineries in the world, and its units will be constructed and installed through the most modern technical ways and means which the technology, civilization and science of the age have attained. Permit me, your highness, to mention some of the information related to this project, which is considered to have one of the greatest refinery capacities in the world, totalling 325,000 barrels per day. Its purpose is to increase the value added of the crude oil, so that the Kingdom of Saudi Arabia may be uplifted through this project in the form of its business and the added profits on the crude oil in the form of wages and in the form of efficient economic development. This project will produce about 5,000 barrels of natural gas liquids, about 73,000 barrels of jet fuel a day, 46,000 barrels of diesel fuel, 58,000 barrels of other products, and 140,000 barrels of fuel oil. This integrated project will also include 3,200 housing units, and 3,000 workers will be engaged in operating this refinery, 200 with their families, adding a number of workers, employees and families to Rabigh Province who will contribute to the development of the province. In addition, the new port of Rabigh, which Petrola is building, will be one of the deepest ports in the world; it will be able to accommodate the most massive oil tankers, those of a size exceeding 340,000 tons.

Manpower Development

"As regards manpower development, that is a basic objective, alongside the value added to the crude oil. In cooperation with an international oil company, we have started training about 300 Saudis, who will constitute the resource for increasing the Saudi labor in this massive project. This refinery will make a great, effective contribution to providing the basic materials for the industries that

modern man requires in his daily life. It is expected that some of the materials produced by this refinery will be used in other industries and plants, such as lubricating oils and the like, which will be announced subsequently, as studies are underway on them at the present time. This project will produce about 325,000 barrels a day of oil products and will supply the markets of the industrial world in Europe and America with their requirements for these products. On one hand, they will offer a great, effective contribution in providing basic materials for the industries mankind requires and on the other hand they will give the domestic economy in the kingdom greater power, stability and strength in the generations to come."

Ahmad Zaki Yamani: The Government of the Kingdom Is Anxious to Expand the Industrial Base

His excellency the minister of petroleum and mineral resources stated "The concern of the government of his majesty the king to build and expand the industrial base of the kingdom is the strong bridge on which we will guide its flourishing economy toward a diversification of sources of income through stability and firmness in their economic characteristics. Among the main well known goals of the government of his majesty are two which their importance reach the point where they have become the predominant preoccupation of officials and the subject of repeated discussion by the citizens.

"The first goal is to control oil resources and the second goal is to diversify income sources and create an alternative to oil revenues so that it may substitute for the oil when, some day, it starts to run out."

'Abd-al-Hadi Tahir: A Strong Islamic Society Founded on a Firm Base Shaykh 'Abd-al-Hadi Hasan Tahir, governor of Petromin, stated, "The Kingdom has always striven to increase its economic strength in the framework of its tolerant Islamic beliefs and has striven to realize social justice for the members of a strong Islamic society which can stand rigidly in the face of all hostile currents. The radiance of the light of Islam from this pure country requires that it perform its Islamic role in creating an advanced economic and social example, meeting the requirements of the age which derives inspiration from our pure religion and is in harmony and agreement with it."

Details on the Rabigh Oil Refinery

Provision of refined petroleum products in local markets in the kingdom is not the only goal of Petromin: indeed, diversification of revenue sources is one of its basic objectives and this can be achieved in a number of ways. These methods include expanding the base of integrated oil industries, building bases and pillars for them, and strengthening their ties with international markets and foreign trade. Today these industries have become among the strongest indicators and instruments of guidance and leadership in the world economy. Proceeding from that premise, planning has been made to raise oil product refining capacity in the kingdom and offer the products on world markets, adding further new value through them in addition to the basic crude oil production itself. Petromin's export refinery in Rabigh is one of these means for raising the kingdom's crude oil refining capacity, as are the Petromin export refinery in Yanbu' and the Petromin

export refinery in al-Jubayl. The first stage design capacity of the Rabigh refinery will come to 325,000 barrels a day. In its first stages, following startup of operation, the oil will come from Ra's Tannurah in oil supertankers of 250,000 tons and above. It is probable that the economic feasibility of constructing a pipeline from Yanbu' to Rabigh as part of the Petroline project which is concerned with the task of piping crude oil from the Eastern Province to the western coast of the Saudi Kingdom will be established. The project's requirements for oil shipments by supertanker have been taken into consideration and Petromin has started to carry out preparatory activities necessary for building marine piers 26 meters deep. That depth is appropriate for accommodating this type of supertanker. We will begin operating this refinery, with the help of almighty God, in the third quarter of 1982. This refinery will be followed by another one in which the American company Ashland is participating with Petromin which will produce base oils with a productive capacity of 5,000 barrels per day. The Petromin-Petrola refinery project Petromila in Rabigh--like the other Petromin heavy oil industry projects--will require massive investments, high technological capability, and world markets. Immense investment resources are a great obstacle to the construction and operation of these giant projects in view of their complex technology and world markets, and it was therefore necessary to break into the heavy oil industrial market forcefully and firmly and introduce strong international firms specializing in this field to take part with us in building and operating these massive projects, thereby bringing the kingdom broad scope for technology transfer and heavy industry technology, as well as acquiring international markets and outlets to consuming areas in the various countries of the world. The Kingdom of Saudi Arabia has offered, and still does offer, important, vital elements in this field in order to provide incentives for major companies to compete to enter into these industries with Petromin. Among these incentives are ones related to the construction and provision of infrastructure to serve industries at token fees and duties. Among them are incentives related to Yanbu'; there, specific volumes of crude oil will go to each partner in accordance with its activity, volume of investment and participation. There are incentives related to loans and the provision of loans to companies on comfortable payment terms, and other incentives which have made this a desirable activity, something which many giant companies in the world compete over, bringing use and benefit ultimately, with almighty God's help, to the kingdom, its economy, the welfare of its people and their ability effectively to participate in carrying out the reforms they can make on behalf of a well regarded, balanced international economy.

5,000 Workers in the Rabigh refinery

Mr Jamil Khayyat, Petromin's representative in the Western Province, stated that the Rabigh refinery will be devoted to producing and exporting oil products to nations in Europe and America. The General Petroleum and Mineral Organization owns 50 percent of the capital and the rest is owned by the international firm Petrola.

He stated that the refinery is expected to begin producing oil products in the last quarter of 1982. About 5,000 workers in the form of engineers and technicians will be working in this refinery and its support units.

A Glance at the Port of Rabigh

Rabigh port is one of the old ports on the Red Sea coast; it was an important commercial port, after Jiddah, supplied Rabigh Province, and was used as a main port for receiving pilgrims in 1928.

After that, the accommodation of pilgrims shifted to the port of Jiddah, and it now occupies a large area, including the al-Ra's, al-Zayf, Abu Hashish and al-Qad areas. The company constructing this project has managed to cover a big distance on the way to completion. This port is to be an important oil products export terminal. The al-Khawr section and al-Waddiyah have been chosen for a residential area for engineers /and/ workers on the Rabigh refinery project. The company executing this project is planning this area and connecting it to the refinery site by main road. The area is 10 kilometers away and the residential area occupies an excellent location along the Red Sea coast west of Rabigh.

11887

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RECENT DIPLOMATIC MANEUVERS DISCUSSED

London 8 DAYS in English No 50, 19 Dec 81 pp 7-11

[Article by Helena Cobban]

[Text] IT WAS Syrian President Hafez Assad's absence from Fez that finally pulled a number of Arab leaders back from the brink. They were close to a commitment which Damascus felt that even the more moderate might have lived to regret: endorsement of Israel's existence with no equivalent US endorsement for the Fahd plan itself.

Despite scornful comments about 'Arab disunity' the Syrians decided that the issue was not Arab readiness for peace, but the fact that Israel was once more girding itself for aggression — with America showing as little readiness as ever to curb Zionist zeal.

Thus Assad turned Arab attention back to what he and his Steadfast Front allies considered the real priority: coordination of Arab power to face Israeli aggression and to sue for Middle East peace from strength.

The Syrians immediately pressed their case among their friends and allies. There were reports last week — unconfirmed, but from reliable Beirut sources — that a high Syrian official, possibly Rifaat Assad, went to Saudi Arabia the day after the breakup at Fez and that Hafez Assad visited Moscow.

The US-Israeli strategic agreement lent more credibility to the Syrian approach: that this was in effect a declaration of war, and that Arabs had to defend themselves.

WHEN Syria's President Hafez Assad stayed away from the Fez summit, he took what appeared to some to be a calculated risk. Would his action leave Syria isolated from the rest of the Arab world?

The signs are that, at the Arab level at least, any risk involved has paid off. Assad stopped Crown Prince Fahd's peace plan from going ahead, at least in its present form, and also managed to keep Syria

within the Arab mainstream.

Even with these successes, however, there are still vital questions facing the Syrian Baath Party's leaders. They still feel that the Israelis pose a direct threat to the Syrian military in Lebanon, and even inside Syria itself. And internal dissidents of the Muslim Brotherhood made a comeback of jolting proportions with a 29 November bombing that left over 100 dead in Damascus.

Now, with the US directly tied in to Israel through last month's 'strategic agreement', the feeling has grown in Syria that any remaining diplomatic solutions to the 14-year-old problems caused by the Israeli occupation of Golan and the Palestinian territories are all rapidly being blocked off.

The thinking behind Assad's undercutting of the Saudi Fez initiative has been the subject of much speculation. Certainly, the 53-year-old leader's final decision to stay away was taken only after intensive discussions between Syrian envoys — including his brother, Rifaat — and ranking Saudi family members, including Foreign Minister Prince Saud al Faisal.

But ultimately all the negotiations came to nought. Among the factors which are thought to have influenced Syria's decision are their profound criticisms that the plan demanded too much of the Arabs — with no firm indications from the US that corresponding concessions would be asked of Israel — and a reluctance to effectively accord Saudi Arabia the leadership of the Arab world which the summit's endorsement of the Fahd plan would have implied.

If the motives were mixed, however, the outcome was clear. Assad stayed away, and after brief deliberations the summit was terminated with its discussions on the Fahd plan 'postponed indefinitely', in diplomatic parlance. By his absence, Assad had emerged as the pivotal Arab leader, without

whom no such discussions could carry weight.

This perception is apparently shared as much by the Saudis themselves as by others who were less affected by Assad's absence from Fez. Informed Arab sources stress that there are no indications that Saudi Arabia's aid contributions to Syria will be cut.

The Saudi daily *Okaz*, which is generally considered close to Saudi royal thinking, has reported: '(The kingdom) has made it clear to the American envoy (Habib) that any attack at all on the Syrian peacekeeping force in Lebanon will meet a unanimous Arab stand.' It added that Saudi Arabia had also warned the US that its 'continued unlimited support' for Israel 'cannot help prepare the ground for a just and durable peace in the Middle East.'

Moreover, in a telling gesture — which carried more than merely customary diplomatic weight, because of the kingdom's frequent connections with the Muslim Brotherhood in the past — Crown Prince Fahd sent speedy condolences to Assad after the 29 November explosion.

The immediate blame for that incident was attributed to homegrown Syrian Muslim Brotherhood elements.

The explosion had a devastating impact. According to some reports, three buses full of passengers were passing at the time. As the car's 95kg blast sent shrapnel ripping through the air, many of those killed and wounded were ordinary rush-hour bus passengers.

The bomb was a dramatic proof that the Muslim Brotherhood, which the government was claiming until recently to have brought under control, can still organise a spectacular mass killing, even if it has no mass base.

But even with the renewed Islamic agitation seen in the country in recent months, many Syrian government commentators looked further afield to place the ultimate responsibility for the blast. Official spokesmen, saying that the bombing's technical sophistication was significantly greater than in previous Muslim Brotherhood attacks, accused Israeli experts of involvement at some stage of the operation.

With a series of advanced explosive devices discovered in Syrian-controlled areas of Lebanon at the same time, some Arab sources postulated the existence of a fiendish new Israeli-backed 'terror master plan' against Syrian and Palestinian targets.

At any event, the bombing did little to further any long-term Muslim Brotherhood interests in Damascus. Its planners may have hoped to encourage the nascent Muslim movement; instead, its most

immediate fall-out appeared to be to shock Damascenes into rallying to the government. Hundreds of thousands marched in the capital, to denounce the perpetrators of such wanton violence.

The government daily *Tishrin* quickly linked the bombing directly to the strategic agreement that was being finalised by Israeli and US negotiators in Washington even as the Syrians were sifting through the last of the rubble. 'If America is really interested in peace, or in the search for peace, it must first of all return to political ethics and nullify this (strategic) agreement,' the paper said on 5 December.

It went on to describe the US-Israeli agreement as 'a declaration of war on us,' and accused the Americans of relying on 'booby trapped car diplomacy' carried out by what it described as local reactionaries. It warned: 'Syria is alert and aware of America's hypocrisy.'

Syria has particular reason to feel threatened by the US-Israeli agreement, because it is the only one of Israel's immediate neighbours linked by a formal friendship treaty to the Soviets, whose influence is the implicit target of the new bilateral pact.

President Assad signed the 20-year Treaty of Friendship and Cooperation with Moscow on 6 October 1980, in the wake of the outbreak of the Gulf war to Syria's east. His primary concern at the time was thought to be to protect his country from the massive uncertainties originally sparked by the fighting, although both Syria and the Soviet Union had been reported to be considering a treaty for several years beforehand.

Another of Assad's concerns then was the extension of US influence in the Middle East through the whole Camp David process. Shortly after the signing of the Syrian-Soviet treaty, the Syrian information minister said: 'It (was) time to re-establish the balance between Israel and the Arab countries ... by creating a balance between the two superpowers in the Middle East.'

The US-Israeli agreement has now tipped that balance again, the Syrians feel. And, though they are undoubtedly worried at the prospect, it is not immediately clear

what they can do this time round to redress the balance. This is presumably also the concern of the special Soviet envoy, Mikhail Sytenko, who visited Morocco, Jordan, Lebanon and Syria at the beginning of the month — just as the White House special envoy, Philip Habib, was making his latest rounds in the Levant.

Sytenko is reported to have assumed many of the responsibilities in the Soviet foreign ministry which were formerly the province of heavyweight ambassador Vladimir Vinogradov. His discussions with national leaders in the countries he visited, as well as his three-hour session with Yasser Arafat, would in that case have had substantial bearing on emerging Soviet policy in the region. The PLO radio station 'Voice of Palestine' reported only that his discussions with Arafat dealt with 'zionist concentrations in South Lebanon and the Sharon plan in the occupied territories.' But most analysts surmised that much of Sytenko's agenda with all his hosts must have dealt with the new factors arising from the US-Israeli agreement.

Habib, meanwhile, seemed to be having a tough time in his continuing mission to defuse the Israeli-Syrian dispute over Lebanon. Palestinian spokesmen appeared more suspicious of his motives this time round than they were during previous visits. This time, they claimed, he had come to press for a pacification plan which would have pushed PLO units back from their remaining footholds overlooking Israel — without any corresponding Israeli concessions.

In Syria, his reception was equally chilly. 'If Philip Habib comes to Syria a thousand times without bringing any new ideas... he will not find that Syria has anything to say or add to what it previously said about the "Syrian missile crisis" in Lebanon,' commented *Tishrin*.

In 1978 and 1979, Israel's friends in Washington forced the US administration to stop its limited aid to Syria. More recently, the Syrians have protected themselves from such measures by looking to cut

government spending back towards the level where Syria need not be dependent on any foreign aid.

As part of the government's attempt to regain control of an economy which has been moving quickly towards liberalisation since 1974, Assad changed nine key economic ministers in his 4 December reshuffle. A government spokesman explained that the changes were aimed at boosting production in the run-up to the launch of Syria's next five-year plan. It should also be noted that the economic changes seem to be taking some tentative steps towards a war economy.

There is certainly more talk these days, from both sides, that the time for peaceful gestures between Syria and Israel is drawing to an end. 'There will not be another war of attrition,' the Israeli defence minister, Ariel Sharon, was reported to have told Habib. 'The Israeli Defence Forces would operate in a different manner to last summer.'

In Damascus, the party daily *Al Baath* commented on 6 December: '... the logic of aggression to which Israel has been accustomed is no longer an Israeli privilege, nor a matter dictated by Washington and Tel Aviv to their agents in the region ...'

At the purely military level, the Syrians are by no means in the best position. Traditionally, the country has based its strategic planning on a joint front, at least with Egypt, being opened in any Middle East war. The desertion of Egypt from Arab ranks remains an undeniable blow.

On the other hand, while the Syrian army would have to be prepared to face the Israelis alone, it would be fighting for much more than Syria's own sectional interests. And the Syrian government has shown since Fez that it could expect political support, and perhaps even more concrete forms of backing, in any such confrontation from the Saudis — and all other Arabs, except Egypt.

'The whole structure erected in the region by the US over recent years could come crashing down with the first shots in any coming Syrian-Israeli war,' one Arab analyst commented last week. 'That's what the US-Israel agreement has actually achieved.'

Certainly, any hopes of an eventual peaceful settlement to the festering dispute between Syria and Israel seem to be dwindling. French Foreign Minister Chevènement's remarks in Jerusalem on 7 December, that his country's Socialist administration would never permit the EEC to mount an independent initiative in the Middle East, appeared to stymie one of Syria's most persistent foreign policy emphases.

WESTERN SAHARA

BRIEFS

HIT LIST NOTED--Rabat, December 30--Mauritanian and Algerian officers have helped lay plans to kill 4,000 Saharans and kidnap 400 others, a leader of the pro-Moroccan Saharan movement Aosario said in an interview published by Opinion today. The plans, drawn up after the bloody attack on the Moroccan military base of Guelta Zemmur by Polisario guerrillas, were to be carried out before the referendum on self-determination in the disputed area, movement Secretary-General Ahmed Ould Rashid was quoted as saying. Mr Ould Rashid said 400 "notables" were to be kidnapped from El Ayoun, Boujdour, Dakhla and Smara and taken to the Mauritanian-Malian border. He also claimed that a network of foreign trawlers operating along the Saharan coast and near the Canary Islands were providing Polisario guerrillas with crucial meteorological information to allow them to launch attack under cover and avoid the risk of air attacks. The trawlers also provided logistical support for craft that allowed Polisario fighters to disembark on the coast, he said. He claimed that 12,000 Saharans who he said were being held at Tindouf, Algeria, had mutinied and were making it difficult for Algerian authorities to control them. (A.F.P.) [Text] [Paris AFRICA AFP in English 31 Dec 81 p 7]

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